

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **28th** Annual General Meeting of the Members of **VIJAY NIRMAN COMPANY PRIVATE LIMITED** will be held on Friday, the 30th day of September, 2022 at **12.00 P.M.** at the Registered Office of the Company situated at 11-9-16, Dasapalla Hills, Visakhapatnam – 530003, Andhra Pradesh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

The Standalone Audited Financial Statements of the Company for the year ended March 31, 2022 including the Audited Balance Sheet as at March 31, 2022 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date, Schedules and Notes together with the Reports of the Board of Directors and Auditors thereon

2. To receive, consider and adopt:

The Consolidated Audited Financial Statements of the Company for the year ended March 31, 2022 including the Audited Balance Sheet as at March 31, 2022 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date, Schedules and Notes together with the Reports of the Auditors.

3. According consent for appointment of M/s. Mujibur Rahman & Co, Chartered Accountant, Hyderabad (FRN: 327347E) as statutory auditors of the company:

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time M/S. Mujibur Rahman & Co, Chartered Accountant, Hyderabad (FRN: 327347E) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Thirty Third Annual General Meeting of the Company to be held in the year 2027 at such remuneration as may



be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all necessary steps and to do all acts and things to effect the said Resolution.”

SPECIAL BUSINESS:

4. RATIFICATION AND PAYMENT TO M/S J K & Co, COST AUDITORS OF THE COMPANY :

To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an **Ordinary Resolution**;

“**RESOLVED THAT** Pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s J K & Co, Cost Auditors of the Company appointed by the Board of Directors to conduct the audit of cost records of the Company for the Financial Year 2022-23, be paid a remuneration amounting to Rs.80,000/- (Rupees Eighty Thousand Only) plus out of pocket expenses and applicable service tax, if any.

RESOLVED FURTHER THAT Sri S. Vijaya Kumar, Chairman and Sri V. Ajay Kumar, Managing Director of the Company be and are hereby authorized individually/severally to do all acts and take all such steps as may be necessary, proper and expedient, to give effect to this resolution.”

5. RE-APPOINTMENT OF AJAY KUMAR VEERAMACHANENI AS THE MANAGING DIRECTOR OF THE COMPANY :

To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an **Special Resolution**;

“**RESOLVED THAT** pursuant to the provisions of Section 196, and any other applicable provisions of the Companies Act, 2013 and the rules made there under, as amended from time to time, and Articles of Association of the Company, consent of the members be and is hereby accorded to re-appoint Mr. Ajay Kumar Veeramachaneni as Managing Director of the Company for a period of 5 Years with effect from 21st day of June 2022 in continuation of the terms and conditions of his original appointment as the Managing Director of the company.



RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and deeds as may be necessary for the re-appointment of the aforesaid person as the Managing Director of the company."

6. RE-APPOINTMENT OF MR. S. VIJAY KUMAR AS THE WHOLE-TIME DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an **Special Resolution**;

"RESOLVED THAT pursuant to the provisions of Section 196, and any other applicable provisions of the Companies Act, 2013 and the rules made there under, as amended from time to time, and Articles of Association of the Company, consent of the members be and is hereby accorded to re-appoint Mr. Vijaya Kumar Surapaneni as Whole-Time Director of the Company for a period of 5 Years with effect from 29th August, 2022 in continuation of the terms and conditions of his original appointment as the Whole-Time Director of the company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and deeds as may be necessary for the re-appointment of the aforesaid person as the Whole-Time of the company."

7. RE-APPOINTMENT OF MR. VENKATA VISHNU ANNE VARA PRASAD AS WHOLE-TIME DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an **Ordinary Resolution**;

"RESOLVED THAT pursuant to the provisions of Section 196, and any other applicable provisions of the Companies Act, 2013 and the rules made there under, as amended from time to time, and Articles of Association of the Company, consent of the members be and is hereby accorded to re-appoint Mr. Venkatavishnu Anne Varaprasad as Whole-Time Director of the Company for a period of 5 Years with effect from 29th August, 2022 in continuation of the terms and conditions of his original appointment as the Whole-Time Director of the company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and deeds as may be necessary for the re-appointment of the aforesaid person as the Whole-Time Director of the company."



8. RE-APPOINTMENT OF MR. VENKATA YALAMANCHILI RAMANA AS WHOLE-TIME DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an **Special Resolution**;

"RESOLVED THAT pursuant to the provisions of Section 196, and any other applicable provisions of the Companies Act, 2013 and the rules made there under, as amended from time to time, and Articles of Association of the Company, consent of the members be and is hereby accorded to re-appoint Mr. Venkata Yalamanchili Ramana as Whole-Time Director of the Company for a period of 5 Years with effect from 29th August, 2022 in continuation of the terms and conditions of his original appointment as the Whole-Time Director of the company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and deeds as may be necessary for the re-appointment of the aforesaid person as the Whole-Time Director of the company."

By Order of the Board of Directors
For Vijay Nirman Company Private Limited

Registered/ Corporate Office:
D.No.: 11-9-16, Plot No.9,
Dasapalla Hills,
Visakhapatnam – 530003,
Andhra Pradesh, India

Place: Visakhapatnam
Dated: 29.08.2022

x 
Sri S. VIJAYA KUMAR
CHAIRMAN
DIN:00087623



STATEMENT TO BE ANNEXED TO THE NOTICE PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:

REGARDING ITEM NO.4:

The members are informed that as per Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors Rules 2014), the Remuneration of the Cost Auditors should be approved by the members of the Company. Accordingly, based on the level of expertise and scope of work, your Board has recommended to pay the remuneration of Rs.80,000/- plus out of pocket expenses and applicable service tax, if any, to the Cost Auditors for the Financial Year 2022-23.

The Directors recommend the adoption of the Resolution at Item No. 4 of the Notice. None of the Directors and Key Managerial Personnel of the Company and their Relatives is concerned or interested, financial or otherwise, in the resolution set out at item No. 4.

REGARDING ITEM NO.5:

The members are informed that Mr. V. Ajay Kumar was originally appointed as the managing Director of the Company at the 20th Annual General Meeting of the Company held in the year 2014, for a period of five years and re-appointed thereafter. His tenure is coming to an end and as such the Board recommends his re-appointment as the Managing Director of the Company for a period of Five years up till 30th August 2027.

The Board at its Meeting held on 21st June, 2022 had passed a resolution approving his reappointment. And proposes the same to be passed at the ensuing Annual General Meeting.

Mr. V. Ajay Kumar is not disqualified under section 164 or 196 from being re-appointed as the Managing Director of the Company and has been working extensively for the betterment of the Company since the time of his association and the company has undoubtedly benefitted from his services. Terms and conditions of his appointment shall remain the same as per the original terms and as agreed/amended by the Board. As such, the board recommends the passing of item no. 05 as an ordinary resolution.

None of the Directors other than Mr. V. Ajay Kumar himself, and Mr. S. Vijay Kumar being a relative of Mr. V. Ajay Kumar, are interested in the above resolution.



REGARDING ITEM NO.6:

The members are informed that Mr. Vijaya Kumar Surapaneni was originally appointed as the Whole-Time Director of the Company at the 20th Annual General Meeting of the Company held in the year 2014, for a period of five years and re-appointed thereafter. His tenure is coming to an end and as such the Board recommends his re-appointment as the Whole-Time Director of the Company for a period of Five years up till 30th August 2027.

The Board at its Meeting held on 29th August, 2022 had passed a resolution approving his reappointment. And proposes the same to be passed at the ensuing Annual General Meeting.

Mr. Vijaya Kumar Surapaneni is not disqualified under section 164 or 196 from being re-appointed as the Whole-Time Director of the Company and is the founder of the company and has given service of his lifetime to the Company and the company has undoubtedly benefitted from his services. Terms and conditions of his appointment shall remain the same as per the original terms and as agreed/amended by the Board. As such, the board recommends the passing of item no. 06 as an ordinary resolution.

None of the Directors other than Mr. S. Vijay Kumar himself, and Mr. V. Ajay Kuma being a relative of Mr. S. Vijay Kumar, are interested in the above resolution.



REGARDING ITEM NO.7:

The members are informed that Mr. Venkata Vishnu Anne Vara Prasad was originally appointed as the Whole-Time Director of the Company at the 20th Annual General Meeting of the Company held in the year 2014, for a period of five years and re-appointed thereafter. His tenure is coming to an end and as such the Board recommends his re-appointment as the Whole-Time Director of the Company for a period of Five years up till 30th August 2027.

The Board at its Meeting held on 29th August, 2022 had passed a resolution approving his reappointment. And proposes the same to be passed at the ensuing Annual General Meeting.

Mr. Venkata Vishnu Anne Vara Prasad is not disqualified under section 164 or 196 from being re-appointed as the Whole-Time Director of the Company and is a B.Tech graduate with expertise in the industry and an unmatched experience of over 2 decades and the company has undoubtedly benefitted from his services. Terms and conditions of his appointment shall remain the same as per the original terms and as agreed/amended by the Board. As such, the board recommends the passing of item no. 07 as an ordinary resolution.

None of the Directors other than Mr. Venkata Vishnu Anne Vara Prasad himself, are interested in the above resolution.



REGARDING ITEM NO.8:

The members are informed that Mr. Venkata Yalamanchili Ramana Prasad was originally appointed as the Whole-Time Director of the Company at the 20th Annual General Meeting of the Company held in the year 2014, for a period of five years and re-appointed thereafter. His tenure is coming to an end and as such the Board recommends his re-appointment as the Whole-Time Director of the Company for a period of Five years up till 30th August 2027.

The Board at its Meeting held on 29th August, 2022 had passed a resolution approving his reappointment. And proposes the same to be passed at the ensuing Annual General Meeting.

Mr. Venkata Yalamanchili Ramana is not disqualified under section 164 or 196 from being re-appointed as the Whole-Time Director of the Company and is one of the promoters of the Company with expertise in the industry and an unmatched experience of over 2 decades and the company has undoubtedly benefitted from his services. Terms and conditions of his appointment shall remain the same as per the original terms and as agreed/amended by the Board. As such, the board recommends the passing of item no. 08 as an ordinary resolution.

None of the Directors other than Mr. Venkata Yalamanchili Ramana himself, are interested in the above resolution.



NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and to vote on a poll, instead of herself/ himself and the Proxy need not be a Member of the Company. The instrument appointing a Proxy in Form MGT-11 should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. Proxies submitted on behalf of the Companies, Societies and other Juristic Persons must be supported by an appropriate Resolution/ Authority as applicable. A person can act as Proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total Share Capital of the Company. In case a Proxy is proposed to be appointed by a Member holding more than 10% of the total Share Capital of the Company carrying voting rights, then such Proxy shall not act as a Proxy for any other Person or Shareholder.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
4. Members or Proxy should fill in the attendance slip for attending the Meeting.
5. In the case of the Joint-holders attending the Meeting. Only such Joint-holders who are higher in the order of names will be entitled to vote.
6. The required Statutory Registers and documents as prescribed under the Companies Act, 2013 are available for inspection at the Registered Office of the Company during business hours between 11.00 A.M. to 06.00 P.M. except on holidays and will be made available at the venue of the Meeting.
7. Members desiring to seek any information on the Annual Accounts are requested to write to the Company at least 7 (Seven) days in advance of the Meeting so that the information can be made available at the Meeting.
8. Members are requested to inform immediately, of any change in their address registered with the Company quoting their Share Ledger Folio No. (s).



Form No. MGT - 11**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : **U45200AP2005PTC047097**
Name of the Company : **VIJAY NIRMAN COMPANY PRIVATE LIMITED**
Registered Office : D.NO. 11-9-16 Dasapalla Hills Visakhapatnam-530003
Andhra Pradesh, India.

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

I/We, being the member(s) of _____ shares of the above-named Company, hereby appoint

Name:	E-mail Id:
Address:	
Signature:	

or failing him

Name:	E-mail Id:
Address:	
Signature:	

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the **Twenty-Eight** Annual General Meeting of M/s. VIJAY NIRMAN COMPANY PRIVATE LIMITED to will be held on Friday, the 30th day of September, 2022 at 12.00 P.M. at the Registered Office of the Company situated at 11-9-16, Dasapalla Hills, Visakhapatnam - 530003, Andhra Pradesh, and at any adjourned thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(S)	No. of Shares held	Vote	
			For	Against
1.	Adoption of Statement of Profit & Loss Account, Balance Sheet (Standalone), Report of Director's and Auditor's for the Financial Year 31st March, 2022.			
2.	Adoption of Statement of Profit & Loss Account, Balance Sheet (Consolidated).			
3.	According consent for appointment of M/s. Mujibur Rahman & Co, Chartered Accountant, Hyderabad (FRN: 327347E) as statutory auditors of the Company			
4.	Ratification And Payment To M/s. J K & Co, Cost Auditors Of The Company			

5.	Re-appointment Mr. Ajay Kumar Veeramachaneni as the Managing Director of the Company			
6.	Re-appointment of Mr. Vijaya Kumar Surapaneni as Whole-Time Director of the Company			
7.	Re-appointment of Mr. Venkata Vishnu Anne Vara Prasad as Whole-Time Director of the Company			
8.	Re-appointment of Mr. Venkata Yalamanchili Ramana as Whole-Time Director of the Company			

Signed this ----- day of -----, 2022

Affix
Revenue
Stamps

Signature of Shareholder

Signature of Proxy holder

Signature of the
shareholder
across revenue
stamp

Note:

- 1) This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the Company.

ATTENDANCE SLIP

The Twenty Eighth Annual General Meeting on Friday, the 30th day of September,
2022 at 12 P.M.

Full name of the members attending _____
(In block capitals)

Ledger Folio No./Client ID No. _____ No. of shares held: _____

Name of Proxy _____
(To be filled in, if the proxy attends instead of the member)

I/ we hereby record my/ our presence at the at the **Twenty Eighth** Annual General Meeting of M/s. VIJAY NIRMAN COMPANY PRIVATE LIMITED held on Friday, the 30th day of September, 2022 at 12 P.M at the Registered Office of the Company situated at 11-9-16, Dasapalla Hills, Visakhapatnam – 530003, Andhra Pradesh.

Please (✓) in the box

<input type="checkbox"/>
<input type="checkbox"/>

Member

Proxy

*Applicable for member holding shares in physical form.

Signature of Member/ Proxy

NOTE:

1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members/Proxy Holders/Authorized Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate Member(s) shall produce proper authorization issued in their favour.

ROUTE MAP



DIRECTOR'S REPORT

To
The Members
Vijay Nirman Company Private Limited
Visakhapatnam.

Your Directors have pleasure in presenting the 28th Annual Report on the business and operations of your Company together with the Audited Statements of Annual Accounts for the year ended 31st March, 2022.

1. FINANCIAL RESULTS – A. STANDALONE:

Particulars	For the year ended 31.03.2022 (Rs. In Lakhs)	For the year ended 31.03.2021 (Rs.In Lakhs)
Income (including other income)	84,584.41	65,081.90
Expenditure	81,993.40	60,519.36
Profit before Depreciation & Finance Charges	2591.01	4,562.53
Less: Finance Charges	3,889.22	7,204.87
Less: Depreciation	2,195.46	2,504.99
Profit/(Loss) Before Tax	(3,493.66)	(5,147.33)
Current Tax expenses/ (benefits)	17.91	2.07
Deferred tax expenses/(benefit)	(44.90)	(1,719.32)
Profit/(loss) after Tax	(3,466.68)	(3,428.01)
Other Expenses/(benefits) not to be reclassified to Profit or Loss	40.16	58.98
Comprehensive Profit/(Loss)	(3,425.22)	(3,369.03)



N

B. CONSOLIDATED:

Particulars	For the year ended 31.03.2022 (Rs. In Lakhs)	For the year ended 31.03.2021 (Rs. In Lakhs)
Income	84,642.90	65,081.90
Expenditure	82,052.72	60,519.37
Profit before Depreciation & Finance Charges	2,590.18	4,562.54
Less: Finance Charges	3,889.22	7,204.88
Less: Depreciation	2,195.46	2,504.99
Profit/(Loss) Before Tax	(3,494.50)	(5,147.33)
Current Tax expenses/ (benefits)	17.91	2.07
Deferred tax expenses/(benefit)	(44.90)	(1,719.32)
Profit/(loss) after Tax	(3,467.51)	(3,428.01)
Other Expenses/(benefits) not to be reclassified to Profit or Loss	40.16	58.98
Comprehensive Profit/(Loss)	(3,426.05)	(3,369.03)

2. DIVIDEND:

Your Directors have not recommended any dividend for the financial year ended March 31, 2022.

3. AMOUNT TO BE CARRIED TO THE RESERVES:

No specific reserve is required to be transferred during the period under review, except the loss as mentioned in the Financial Statements.



4. REVIEW OF OPERATIONS AND STATE OF AFFAIRS OF THE COMPANY:

Despite the challenging environment of the Indian economy, the Company demonstrated the resilience of its business model. The highlights of the Company's performance are as under:

A) STANDALONE:

During the year under review, the Company has earned an Income of Rs. 84,583.77 Lakhs as compared to Rs. 65,081.90 Lakhs in the previous year, and the expenditure (other than finance and depreciation) incurred during the year was Rs. 81,992.10 lakhs as against Rs. 60,519.36 Lakhs incurred during the previous year. The financial and depreciation expenses during the year were Rs. 3,889.22 Lakhs and Rs. 2,195.46 Lakhs, respectively, As a result your Company incurred a net loss of Rs. 3,466.02 Lakhs as compared to a loss amounting to Rs. 3,428.01 Lakhs incurred in the previous year. The Directors of your Company are hopeful of earning profits in next year. Joint ventures have been included in the financial statements as per new accounting policies of the company.

i. VNC RKCIPJ JV:

VNC RKCIPJ JV is an associate of Vijay Nirman Company Private Limited. It has earned an income of Rs. 16,674.76 lakhs in Financial Year 2021-22 and incurred a net loss of Rs. 84.26 lakhs for the Financial Year 2021-22.

ii. VNC KEC JV :

VNC KEC JV is an associate of Vijay Nirman Company Private Limited. It has earned an income of Rs. 8,213.73 lakhs in Financial Year 2021-22 and earned a net profit of Rs. 41.58 lakhs for the Financial Year 2021-22.

iii. KEC VNC JV:

KEC VNC JV is an associate of Vijay Nirman Company Private Limited. It has earned an income of Rs. 1,277.52 lakhs in Financial Year 2021-22 and incurred a net loss of Rs. 0.88 lakhs for the Financial Year 2021-22.



iv. VNC-KPC JV

VNC KPC JV is an associate of Vijay Nirman Company Private Limited. It has earned an income of Rs. 4,838.54 lakhs in Financial Year 2021-22 and incurred a net loss of Rs. 0.51 lakhs for the Financial Year 2021-22.

v. RDS VNC JV

RDS VNC JV is an associate of Vijay Nirman Company Private Limited. It has earned an income of Rs. 289.89 lakhs in Financial Year 2021-22 which was the same amount that it incurred as expenditure.

vi. SRC-VNC JV:

SRC-VNC JV is an associate of Vijay Nirman Company Private Limited. It has earned an income of Rs. 1,776.67 lakhs in Financial Year 2021-22 and incurred a net loss of Rs. 2.46 lakhs for the Financial Year 2021-22.

B) CONSOLIDATE:

During the year under review, the Company has earned an consolidated Income of Rs. 82,051.42 Lakhs as compared to Rs. 65,081.90 Lakhs in the previous year, and the expenditure (other than finance and depreciation) incurred during the year was Rs. 81,992.10 lakhs as against Rs. 60,519.36 Lakhs incurred during the previous year. The financial and depreciation expenses during the year were Rs. 3,889.22 Lakhs and Rs. 2,195.46 Lakhs, respectively, As a result your Company incurred a net consolidated loss of Rs. 3,466.85 Lakhs as compared to a loss amounting to Rs. 3,428.01 Lakhs incurred in the previous year. The Directors of your Company are hopeful of earning profits in next year. Joint ventures have been included in the financial statements as per new accounting policies of the company.



5. REVIEW OF SUBSIDIARIES AND ASSOCIATES:

Your Company has ten Joint Ventures, as named above, and an LLP subsidiary, namely SURAPANENI TRADING LLP and no holding company. The details are further mentioned in form AOC-1 annexed as **Annexure-I**

6. INDIAN CONSTRUCTION SECTOR:

India is one of the world's most vibrant markets for building and interiors at the moment. Huge sums are being poured into a comprehensive range of construction projects, from major infrastructure upgrades, sweeping residential housing programmes and wholesale city building.

Infrastructure segments involve construction projects in different sectors like roads, railways, ports, irrigation, power etc. Industrial construction is contributed by expansion projects from various manufacturing sectors. Real estate construction can be sub-divided into residential, commercial, malls/multiplexes etc.

Present levels of urban infrastructure are inadequate to meet the demands of the existing urban population. There is need for re-generation of urban areas in existing cities and the creation of new, inclusive smart cities to meet the demands of increasing population and migration from rural to urban areas. Needless to say, the Indian construction sector is poised for immense growth over medium to long-term in the years to come also.

7. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There were no changes in the nature of business of the Company during the financial year 2021-22.



8. DEPOSITS:

During the Financial Year 2021-22, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

9. SHARE CAPITAL:

During the year under review, the Authorized Share Capital and Paid-up Share Capital of the Company is unchanged and stands at Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) and Rs. 20,55,28,390 (Rupees Twenty Crore Fifty Five Lakhs Twenty Eight Thousand Three Hundred and Ninety Only) respectively.

The Company has not issued any Bonus Shares, Sweat Equity Shares, ESOP, nor bought back any of its securities and not provided any provision for purchase of own shares for buy back during the Financial Year.

10. CONSTITUTION OF THE BOARD OF DIRECTORS:

A. BOARD OF DIRECTORS:

As on 31.03.2022, the Board of Directors of your Company consists of Sri S. Vijaya Kumar, Sri A.V.V.VPrasad, Sri Y.V Ramana, Sri V. Ajay Kumar, Sri Anil Dhanpat Agrawal, Director and Sri Mahdavi Deshpande.

During the year under review, Sri Muttuluri Narasimhappa ceased to be associated with the Company as an Independent Director w.e.f. 06.12.2021.

None of the Directors were disqualified under section 164 of the Act.

B. INDEPENDENT DIRECTORS:

Provisions in respect of appointment of Independent Directors, such as Section 149 and 152 of the Companies Act, 2013, are not applicable to the company.



C. RETIREMENT BY ROTATION:

Being a Private Limited Company, the Provisions relating to appointment of Directors by Retirement by Rotation are not applicable as per the provisions of Companies Act, 2013.

The Board confirms that none of the Directors of the Company is disqualified from being appointed as Director in terms of Section 164(2) of the Companies Act, 2013 and necessary Declaration has been obtained from all the Directors in this regard.

D. KEY MANAGERIAL PERSONNEL:

As per the provisions relating to appointment of Key Managerial personnel under Section 203 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed the following Key Managerial Personnel:

- 1) V. Ajay Kumar, Managing Director;
- 2) Y. V. Ramana, CEO;
- 3) S. Kumar Raja, CFO and
- 4) Surabhi Dudheria, Company Secretary

E. WHOLE-TIME COMPANY SECRETARY:

As applicable under the provisions of Section 203(1) of the Companies Act, 2013 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 relating to the appointment of Whole-time Company Secretary, Miss Surabhi Dudheria (ACS 64011) has been the Company Secretary and Compliance officer of the Company since 01.01.2021



11. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

- a) The Company has complied with the procedures relating to the Board Meetings.
- b) The meetings are usually held at the Registered Office of the Company or via Audio Video mode.
- c) The draft Minutes are circulated to the Members of the Board for their comments and are duly recorded in the concerned books.

MEETINGS OF THE BOARD OF DIRECTORS

- i. During Financial Year 2021-22, 03 (Three Only) Board Meetings were held
- ii. The Dates of the Board Meetings are: 28.06.2021, 28.10.2021 and 25.02.2022,
- iii. The maximum time gap between any two consecutive meetings was extended from one hundred and twenty days one hundred and eighty days wide MCA circular no. 08/2021 dated 05th May 2021, and the Company has abided by the same.
- iv. The details of Directors, their attendance at Board Meetings and at the previous Annual General Meeting of the Company are, given below:

S. No.	Name of Director	Category	Board Meetings entitled to attend	Board Meetings Attended	Whether Attended for AGM held on 29.11.2021 & 06.12.2021
1.	Sri S. Vijaya Kumar DIN: 00087623	Chairman & WTD	03	03	Yes



2.	Sri A V VV Prasad DIN: 00466618	Vice Chairman & WTD	03	03	Yes
3.	Sri Y V Ramana DIN: 00470279	CEO & WTD	03	03	No
4.	Sri V. Ajay Kumar DIN: 01797519	Managing Director	03	03	Yes
5.	Sri M Narasimhappa DIN:03319847	Independe nt Director	02	02	No
6.	Sri Anil Dhanpat Agrawal DIN:00360114	Director (Nominee)	03	03	No
7.	Sri Mahdav Deshpande DIN:01537794	Nominee Director	03	02	No

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 185 AND 186 OF THE COMPANIES ACT, 2013:

During the year under review, the company has not granted any loan/guarantee that would attract the provisions of section 185. The company has made certain advances/ guarantees to its joint ventures for operational purposes and has been continuing its investment in its subsidiary, Surapaneni Trading LLP from the previous years and in accordance with the provisions of section 186.



13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 IN THE PRESCRIBED FORM:

The Company has entered into transactions with related parties only at arm's length and in normal course of business in accordance with the provisions of section 188 of the Companies Act, 2013, details of which are disclosed in the financial statements as per the accounting standards.

14. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

15. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of annual return shall be uploaded on the website of the Company and the same can be accessed at the following link <https://vijaynirman.com/>

16. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has designed and implemented adequate internal financial controls for all the processes in place with respect to its Financial Statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically.



17. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2022 and of the profit and loss of the company for the year ended on that period;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a going concern basis; and
- v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. COMMITTEES:

The Board has the following committees to it: a) Finance Committee, b) Core Committee, c) Share Transfer Committee, and d) CSR Committee



19. AUDIT COMMITTEE:

Provisions relating to constitution of Audit Committee Pursuant to Section 177 of the Companies Act, 2013 and Rule 6 of Chapter XII of Cos. (Meetings of Board & its Powers) Rules, 2014 are not applicable to the Company.

20. AUDITORS:

I. STATUTORY AUDITORS:

At the 27th Annual General Meeting of the Company, the term of the Statutory Auditors namely M/s. Venkatsrinivas & Co, Chartered Accountants (FRN:012206S), Visakhapatnam had expired and the name of M/s. Pamidi & Associates, Chartered Accountant, Hyderabad was proposed for being appointed as the statutory auditor of the company for the next five years, however the same could not have been approved, as such, as per the provisions of section 139(10) M/s. Venkatsrinivas & Co continued to be the Auditor for the Financial Year 2021-22.

Now the term of M/s. Venkatsrinivas & Co, stands completed and the Board proposes the name of M/s. Mujibur Rahman & Co, Chartered Accountant, Hyderabad (FRN: 327347E) as Statutory Auditors for a period of 5 years in the ensuing annual general meeting subject to the eligibility of the auditor and approval of the members.

The said Auditors have expressed their willingness to act as Statutory Auditors of the Company for a period of 5 years. The Company has received a letter from them stating that their appointment, if made, would be within the limits as prescribed under Section 141 of the Companies Act, 2013.

In view of the above, the Board of Directors of the Company recommends their appointment, as set out in the notice, for a further period of 5 years i.e. from the conclusion of ensuing Annual General Meeting till the date of conclusion of the 33rd Annual General Meeting of the Company to be held in the calendar year 2027 at such remuneration plus Taxes, Out of Pocket, Travelling and Living expenses, etc. as may be mutually agreed to between the Board of Directors and the Auditor.



II. INTERNAL AUDITORS:

M/s Rao & Kumar, Chartered Accountants, Visakhapatnam, Internal Auditors of the Company, who are acting independently and also responsible for regulatory and legal requirements relating to operational processes and Internal Systems. Internal Auditors report directly to the Chairman of the Board of Directors of the Company.

III. COST AUDITORS:

The Company has maintained cost records for certain products as specified by the Central Government under Section 148(1) of the Act. M/s. SSPGR, Cost Accountants (Firm Registration No. AAB-9626) have carried out the cost audit for applicable products for the financial year 2021-22. In compliance with provisions of Section 148 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on 28th June, 2021 had appointed M/s SSPGR & Associates, Cost Auditors of the Company for the Financial Year 2021-22.

And further appointed Ms. JK & Co., Cost auditors, Visakhapatnam to conduct the cost Audit of the Company for the Financial Year 2022-23 at their board meeting dated 21.06.2022

In terms of the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 (a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors has to ratify by the members. Accordingly necessary resolution proposed at the ensuing Annual General Meeting for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2022-23.

21. AUDITORS' REPORT:

The Auditor's Report is self-explanatory and does not require any comments from the Board of Directors except attention regarding the recoverability of certain trade receivables and the unbilled revenues, recognized in the current and earlier years in



respect of projects which were suspended or substantially closed. In this connection, the Board has noted and stated that the Company has already taken the necessary steps in connection with this.

22. CORPORATE GOVERNANCE:

The Company has been adopting the best practices of Corporate Governance for ensuring protection of the rights and interests of its stakeholders, customers and persons dealing with the Company. The Company's broad policies of Corporate Governance viz. Transparency, integrity, equity, openness, fairness and also accountability are the guiding principles and have been continuing effectively in the affairs of the Company. The Company has been continuing its Corporate Social Responsibility wherever services required. Your Company periodically reviews and revises the Corporate

Governance Practices incorporating appropriate checks and balances at various levels of management from time to time.

23. MANAGEMENT DISCUSSION AND ANALYSIS:

The Board has been continuing its efforts and taken the required steps in the following areas:

1. Growth Strategy.
2. Strengths, Weaknesses, opportunities and Threats.
3. Financial performance with respect to operational performance.
4. Internal Control Systems and their adequacy.
5. Material developments in human resources/industrial relations.

24. DISCLOSURE U/S 134(3)(m):

The particulars as prescribed under Section 134 (3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are provided as under:



A) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

a.	Conservation of Energy	Civil construction activities are not Energy intensive. However, steps have been taken to conserve energy consumption wherever applicable.
b.	Technology Absorption	Not applicable as there has been no import of technology and the present methods of construction is indigenous.

B) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	2021-22	2020-21
Foreign Exchange Earning	NIL	NIL
<u>Foreign Exchange Outgo:</u>	NIL	NIL

25. VIGIL MECHANISM POLICY:

Your Company is committed to highest standards of ethical and legal business conduct. Accordingly, the Board of Directors has formulated a Vigil Mechanism Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013. Employees/Customers/ third parties can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against them or any instances of fraud by or against your Company.

Further, the policy ensures that strict confidentiality is maintained whilst dealing with concerns.



In staying to our value of strength, performance and passion and in line with our vision of being one of the most respected Companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Vigil Mechanism Policy is also available on your Company's website www.vijaynirman.com.

26. RISK MANAGEMENT POLICY:

The Company has a Risk Management framework in place which is designed to identify, assess and monitor various risks related to key business and strategic objectives and lead to the formulation of a mitigation plan. All identified risks are categorized based on a matrix of likelihood of occurrence and impact thereof and a mitigation plan is worked out to the extent possible. Major risks in particular are monitored regularly at meetings of the Executive Risk Committee and the Board of Directors of the Company is kept abreast of such issues.

27. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The provisions of section 135 of the Companies Act, 2013 is not applicable to the company for the financial year 2021-22. As was required in the previous years, the company has a CSR committee, which devices CSR policies from time to time and the same are recommended to the Board.

28. ENVIRONMENTAL POLICY:

Your Company has been continuing all its activities with requisite measures to protect the environment.

29. SECRETARIAL AUDIT REPORT:

The Board of Directors of the Company has appointed M/s. ASN Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the Financial Year



2021-22. The Secretarial Audit Report for the Financial Year ended March 31, 2022 is annexed herewith to this Report under **Annexure-II**

30. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has always believed in providing a safe and harassment free workplace for every individual working in premises and always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

In order to prevent sexual harassment of women at work place The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every Company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee. Accordingly the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy.

During the year ended 31st March, 2022, the Company has not received any complaint pertaining to sexual harassment.

31. ISO CERTIFICATION:

The Company has been continuing the status of ISO 9001-2008, ISO 14001-2004 & OHSAS 18001:2007 certification for "Quality Management System, Environmental System & Occupational Health & Safety Management System from "QUEST INTERNATIONAL, JAS-ANZ & ANAS-BNR which is valid till date and has been complying with the concerned procedure in this regard.

32. CREDIT FACILITIES:

The Company has been availing Credit facilities from Banks, Financial Institutions and Corporate Bodies for business requirements of the Company from time to time



33. INSURANCE:

All the assets of the Company wherever necessary and to the extent required have been adequately insured.

34. EMPLOYEE RELATIONS:

Your Directors place on record their appreciation for the significant contribution made by all employees, who through their competence, dedication, hard work, co-operation and support have enabled the Company to grow on continual basis. Employee relations are cordial at all levels.

35. SHARE TRANSFER SYSTEM:

A share transfer committee is in place which reports to the Board. Furthermore, M/s KFIN TECHNOLOGIES PRIVATE LIMITED has been continuing as Share Transfer Agents to take care of the Demat related services.

36. STATUTORY COMPLIANCE:

The Company has complied with the concerned provisions relating to statutory compliance with regard to the affairs of the Company.

37. CREDIT RATING:

The Company enjoys the Credit Rating of “D” given by CRISIL.

38. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Your Company has does not have any funds lying unpaid or unclaimed which are required to be transferred to Investor Education and Protection Fund (IEPF), but is required to transfer certain shares in the name of IEPF, pertaining to the shareholders who did not claim their dividends and the dividend amounts of which has already been transferred to IEPF. The Company has taken all the necessary steps for the transfer, however the lapse is pending due to technicality with the dematerialization of the shares which is beyond the control of the management of



the Company. However the Company and the management is determined to comply with the statutory requirements.

39. PARTICULARS OF EMPLOYEES:

The particulars of the Employees who are covered by the Provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as detailed in ANNEXURE III

40. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

The company has not made any application under the IBC code, however the following proceedings were pending:

Sl. No.	Name of Complainant	Outstanding claims as on 31.03.2021 (in Rs.)	Current status
1.	K L Malhotra & co.	1,12,69,273	Payment scheduled
2.	Segno Ceramics	1,32,55,594	Hearings pending at NCLT
3.	Enpeecon	62,54,140	Payment schedule agreed and part payments made
4.	Marine Cranes	1,12,279	Balance amount to be paid

41. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILAING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial Institutions.

42. FORMAL ANNUAL EVALUATION:

Since the Company is neither a Listed Company nor a Public Company, the provisions of Clause (p) to Sub-section (3) of Section 134 of the Companies Act, 2013 regarding a statement relating to the Formal Annual Evaluation by the Board



of its own performance and that of its Committees and individual Directors are not applicable.

43. ACKNOWLEDGEMENTS:

Your Directors wishes to thank to all the shareholders for the confidence and trust they have reposed in the Company. Your Board similarly expresses gratitude for the co-operation by customers, bankers of the Company, NBFCs, Bodies Corporate, Suppliers, Joint Ventures Partners, Sub-Contractors, State Government, Central Government Departments & Authorities, Local Bodies, other agencies, the Company's valued investors, the public and other stakeholders. Yours Board acknowledges with appreciation, the invaluable support provided by the Company's Auditors, Business Partners and investors. Your Board records with sincere appreciation the valuable contribution made by the employees at all levels and looks forward to their continued commitment to achieve further growth and take up more challenges that the Company has set for the future.

**For and on behalf of the Board of Directors of
Vijay Nirman Company Private Limited**



(S. Vijaya Kumar)

DIN: 00087623

Chairman

(V. Ajay Kumar)

DIN: 01797519

Managing Director

DATE: 29/08/2022

PLACE: Visakhapatnam

Form AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Surapaneni Trading LLP
2.	The date since when subsidiary was acquired	14.11.2014
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Company
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
5.	Share capital	500000
6.	Reserves and surplus	7,193,807
7.	Total assets	9,858,403
8.	Total Liabilities	2,164,596
9.	Investments	NIL
10.	Turnover	5,849,173
11.	Profit before taxation	(83,103)
12.	Provision for taxation	00
13.	Profit after taxation	(83,103)
14.	Proposed Dividend	NIL
15.	Extent of shareholding (in percentage)	99%

1. Names of subsidiaries which are yet to commence operations: NIL

2. Names of subsidiaries which have been liquidated or sold during the year.: NIL



Part B Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	VNC - Kalindee	Kalindee - VNC	CVCC - VNC JV	VNC - SVC JV	SRC - VNC JV	VNC - KPC JV	KEC - VNC JV	RDS - VNCPL JV	VNC - KEC JV	VNC - RKCIPL JV
1. Latest audited Balance Sheet Date	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022
2. Date on which the Associate or Joint Venture was associated or acquired	30.04.2020	30.07.2020	26.10.2021	20.06.2017	09.03.2018	18.03.2018	03.07.2020	31.01.2020	25.05.2020	03.02.2021
3. Shares of Associate or Joint Ventures held by the company on the year end No.	0	0	0	0	0	0	0	0	0	0
Amount of Investment in Associates or Joint Venture	0	0	0	0	0	0	0	0	0	0
Extent of Holding (in percentage)	50%	50%	26%	59%	49%	51%	40%	65%	51%/50%	80%
4. Description of how there is significant influence	By virtue of being a partner of the Joint Venture									
5. Reason why the associate/Joint venture is not consolidated.	Not consolidated for the reason that the said JVs do not have any significant transactions									
6. Net worth attributable to shareholders as per latest audited Balance Sheet	NA				(1.62)	0.41	0.58	00	26.21	(84.26)
7. Profit or Loss for the year (in Lakhs)										
i. Considered in Consolidation	No significant operations									
ii. Not Considered in Consolidation					(2.46)	(0.51)	(0.88)	00	41.58	(84.26)



1. Names of associates or joint ventures which are yet to commence operations.: NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year: NIL



For and On Behalf of
Vijay Nirman Company Private Limited

[Handwritten signature]

V. Ajay Kumar
Managing Director
(DIN: 01797519)

[Handwritten signature]
S. Vijay Kumar
Chairperson
(DIN: 00087623)

Place: Visakhapatnam
Date: 29.08.2022

☎ (O) : 2529246
Fax : 0891-2712695
Cell : 9640056555, 7799435494
email : asn@asnassociates.com

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
M/s Vijay Nirman Company Private Limited
D.NO. 11-9-16 Dasapalla Hills
Visakhapatnam-30003,
Andhra Pradesh, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s.Vijay Nirman Company Private Limited (CIN: U45200AP2005PTC047097)**(here-in-after called the "Company"). Secretarial Audit was conducted in a manner that provided us areas on the basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022, complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Vijay Nirman Company Private Limited** for the Financial Year ended on 31st March, 2022 according to the provisions of:



2. We are of the opinion that the Management has complied with the following Laws specifically applicable to the Company:

We are of the opinion that the Management has complied with the following Laws wherever applicable to the Company:

- (a) The Companies Act, 2013 and the Rules made there under;
- (b) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under;
- (c) The Payment of Wages Act, 1936;
- (d) The Minimum Wages Act, 1948;
- (e) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (f) The Payment of Bonus Act, 1965;
- (g) The Payment of Gratuity Act, 1972;
- (h) The Employees' Compensation Act, 1923;
- (i) The Employees' State Insurance Act, 1948
- (j) Equal Remuneration Act, 1976;
- (k) Industrial Employment (Standing Orders) Act, 1946;
- (l) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
- (m) The Information Technology Act, 2000 and the Rules made there under;
- (n) The Maternity Benefit Act, 1961
- (o) The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

We have also examined compliance with the applicable Clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.

3. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations :



1. Filing of few e- Forms was delayed and was filed with additional fees.
2. According to the information provided, the following dues/outstanding of tax/statutory dues have been continuing :

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Relates	Due Date	Date of payment
Income Tax Act,1961	TDS Payable	7,59,973.00	2021-22	Multiple Dates	Not yet paid (partial payments made)
Income Tax Act,1961	TCS Payable	1,30,16,993.00	2021-22	Multiple Dates	Not yet paid (partial payments made)
Building and other Construction Worker Welfare Cess Act, 1996	Labour Cess Payable	1,01,34,896.00	2020-21 & 2021-22	Multiple Dates	Not yet paid
Provident fund & Employee state insurance.	PF & ESI Payable	1,04,32,606.00	2021-22	Multiple Dates	Various dates

3. According to information provided to us, the over dues outstanding to banks/financial institutes are as following:

Name of Lender	Overdue Amount in (Rs.)	Nature of Credit	Period of Delays
IDBI Bank	22,01,85,451	Cash Credit Account	Multiple dates
ICICI Bank	28,74,98,892	Cash Credit Account	Multiple dates
Standard Chartered Bank	23,06,57,875	Cash Credit Account	Multiple dates
Punjab National Bank	30,20,03,232	Cash Credit Account	Multiple dates
ESAAR INDIA LTD	6,62,83,565	Cash Credit Account	Multiple dates
Union Bank of India	25,05,705	Cash Credit Account	Multiple dates




4. Shares of the shareholders, who have not claimed their Dividend for more than 7 years on the said shares, are still pending for being transferred to Investors Education and Protection Fund (IEPF).

4. We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Changes in the composition of the Board of Directors which took place during the period under review are in accordance with the provisions of the Companies Act, 2013.
- b) Adequate notices given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least Seven Days in advance either by way of hand delivery or through e-Mail communication, and a system exists for seeking and obtaining further information and clarifications on the Agenda Items before the meeting and for meaningful participation at the meeting.
- c) As per the Minutes of the Meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous/with requisite majority and no dissenting views have been recorded.
- d) We report that there is scope to improve the systems and processes in the Company to be commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
5. We have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

For ASN Associates
Company Secretaries


K Surendra
Partner
ACS No.: 34205
C P No.: 12732
UDIN: A034205D000868412



Place: Visakhapatnam
Date: 29.08.2022

*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.


'ANNEXURE -A'

To,
The Members,
M/s Vijay Nirman Company Private Limited
D.NO. 11-9-16 Dasapalla Hills
Visakhapatnam-30003,
Andhra Pradesh, India.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed for this purpose provided a reasonable basis for our opinion.
3. The Compliance by the Company of applicable financial law like Direct and Indirect Tax Laws and maintaining of financial Records and Books of Accounts have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and other designated Professionals.
4. Wherever required, we have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For ASN Associates
Company Secretaries


K Surendra
Partner
ACS No.: 34205
C P No.: 12732
UDIN: A034205D000868412



Place: Visakhapatnam

Date: 29.08.2022

Annexure III

Statement showing the names of the top ten employees of the Company in terms of remuneration drawn for the Financial Year 2021-22:

S no	Name & Designation of employee	Remuneration received (Per Month)	Nature of employment	Qualification	Experience	Commencement of employment	Age	Last Employment held	Relative of any Director/Manager of the Company	% of equity shares held as per Rule 5(2)(iii)	Shares Held
1	MAHALLE A S	3,50,000	COO	B.E	28	26/09/1994	65		No	0.55	112640
2	VAMSIDHAR M	3,00,000	Dy COO	M B A	14	01/04/2008	52		Nephew of Dr. S Vijaya Kumar, Chairman	1.47	301330
3	KRISHNA RAO N	2,33,750	Director	IIT Mech	14	01/04/2008	67		No	0.37	75830
4	RAJA GOPAL P	2,47,501	Assoc. Vice President	Diploma	14	01/04/2008	55		No	0.12	25000
5	LAKSHMANA REDDY S V	1,98,751	General Manager	Post Graduation	10	08/07/2015	48		No	NIL	NIL
6	KRISHNA MOHAN A	1,96,251	General Manager	B. Tech	14	01/04/2008	52		No	0.10	20000
7	VENU GOPAL V A	1,96,251	General Manager	Diploma in Civil	14	01/04/2008	52		No	0.08	17000
8	SEKHAR RAJU PVC	1,96,251	General Manager	Diploma in Civil	14	01/04/2008	51		No	0.08	16820
9	MURTHY I L NS	1,88,751	General Manager	Post Graduation	22	05/10/1991	51		No	0.08	17500
10	PRASAD RAO BHAVARAJU	1,77,500	General Manager	Post Graduation	10	30/04/2012	52		No	NIL	NIL



1. Rule 5(2)(i): Details of employees who if employed throughout the financial year, was in receipt of remuneration for that year in which, in the aggregate, was not less than one crore and two lakh rupees; Not applicable
2. Rule 5(2)(ii): Details of employees who if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakh and Fifty Thousand Rupees per month. Not applicable
3. Rule 5(2)(iii): Details of employees if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company; Not applicable

For and on behalf of the Board of Directors of

Vijay Nirman Company Private Limited



S. Vijaya Kumar
(S. VIJAYA KUMAR)
DIN: 00087623
Chairman

V. Ajay Kumar
(V. AJAY KUMAR)
DIN: 01797519
Managing Director

DATE: 29.08.2022
PLACE: Visakhapatnam



VENKATSRINIVAS & CO., CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Vijay Nirman Company Private Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Vijay Nirman Company Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the **Companies (Indian Accounting Standards) Rules, 2015**, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SA's"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon,



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Branch Office : # 74-10-03/1, Flat No. A-2, "SNK Chitturi Emerald", Opp. Bhaskara Raju Children's Hospital, Prakashnagar, Rajahmundry-533 103, East Godavari Dist., A.P. Ph : 0883-2444296, Fax : 0883-2444297, E-mail : vsandcorjy@gmail.com

and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information Other than the Financial Statements and Auditor's Report Thereon

The respective Board of Directors of the Company and its Joint Operation Companies are responsible for the preparation of other information. The other information comprise the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS



financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going



concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis of Matter

We draw attention to note 36 and 37 relating to trade receivables and unbilled revenue respectively to the accompanying standalone Ind AS financial statements regarding the recoverability of certain trade receivables and the unbilled revenues, recognised in the current and earlier years in respect of projects which were suspended or substantially closed and where the matters are currently under negotiations/ arbitration/ litigation. Pending ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in the accompanying standalone financial statements.

Our opinion on the standalone Ind AS financial statements is not modified in respect of this matter.

Other Matters:

Venkat Srinivas& Co Chartered Accountants did not audit the financial statements of five Joint ventures, whose financial statements reflect net assets of Rs. (58.68) Lakhs as at 31 March, 2022, the revenues of Rs. 33,071.12 Lakhs



for the year ended on that date, as considered in standalone financial statements. These financial statements are unaudited as on the date of our audit and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosure included in respect of these joint ventures, is solely based on the financials provided by the management. In compliance with schedule III of the companies act 2013 company has to disclose ageing schedule for Trade payable, company has not furnished such information in notes to Accounts.

Our opinion is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
- h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as




amended in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company does not have any pending litigations which would impact its financial position;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **VENKATSRINIVAS & Co**
Chartered Accountants
(Firm's Registration No.012206S)


CA.A. SRINIVAS
Partner
(Membership No. 029619)



UDIN: 22029619ARCMSR7286

Place: Visakhapatnam
Date: 29.08.2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph (f) under 'Report on Other Legal and
Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under
Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013
("the Act")**

We have audited the internal financial controls over financial reporting of Vijay Nirman Company Private Limited ("the Company") as of 31 March, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing whether the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the



risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VENKATSRINIVAS&CO.,**
Chartered Accountants
Firm's Registration No.012206S


(CA. A. SRINIVAS)

Partner

Membership No. 029619

UDIN: 22029619ARCMSR7286



Place: Visakhapatnam

Date: 29.08.2022

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of Property, Plant and Equipment,
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, except for the particulars with respect to the location and quantity of certain Property, Plant and Equipment.
- (B) According to the information and explanations given to us and the records examined by us, the Company has no Intangible assets.
- (b) Property, Plant and Equipment have not been physically verified by the Management at reasonable intervals and therefore we are unable to comment on discrepancies, if any, which could have arisen on verification.
- However, there is a regular program of physical verification of its Property, Plant and Equipment which are verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed (state any other relevant document which evidences title) provided to us, we report that, the title deeds, comprising of all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Company does not have any immovable



properties of land and buildings that have been taken on lease.

(d) According to the information and explanations given to us and the records examined by us, Company has not made any revaluation of Property, Plant and Equipment during the year.

(e) According to the information and explanations given to us there are no proceedings that are initiated or are pending against the company for holding any Benami property and Benami Transactions (Prohibition) Act 1988.

(ii) (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies between physical inventory and book records were noticed on physical verification during the year.

(b) According to the information and explanations given to us, the company is having a Fund Based working capital limit of Two hundred thirty-nine crore fifteen lakhs rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; the quarterly returns and statements comprising of stock and other stipulated financial information filed by the company with such banks are having timing difference with the books of accounts being audited by us.

(iii) In our opinion and according to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, except for the ones being continued from previous years.



- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2016, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, CGST, SGST, IGST, duty of customs, Cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been few delays in some cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from due date they became payable are as follows:



Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Relates	Due Date	Date of payment
Income Tax Act, 1961	TCS Payable	7,59,973	2021-22	Multiple Dates	Payment made
Income Tax Act, 1961	TDS Payable	1,30,16,993	2021-22	Multiple Dates	Not yet paid (partial payments made)
The Building and other Construction Worker Welfare Cess Act, 1996	Labour Cess Payable	1,01,34,896	2020-21 & 2021-22	Multiple Dates	Not yet paid
Provident fund & Employee state insurance.	PF & ESI Payable	1,04,32,606	2021-22	Multiple Dates	Various dates

(b) According to the information and explanations given to us and the records of the company examined by us, the Company does not have any disputed/contingent liability arising during the year under review, however the company had previously received a demand notice for Service Tax due payable against Fertilizer Handling in Kakinada port area where in and additional tax liability of Rs. 9,17,13,496 was demanded. However, no dues are



demand notice for Service Tax due payable against Fertilizer Handling in Kakinada port area where in and additional tax liability of Rs. 9,17,13,496 was demanded. However, no dues are pending as per books of the company. As such the Company had filed a case with Appellant Tribunal (CESTAT, Hyderabad) and consequently the Company paid of Rs. 34,00,000(as deposit money for filing case) under protest and contested the said order which is pending with Appellant Tribunal.

The company has received a notice for Differential customs duty payable against import of Aluminum Moulds where in additional tax liability of Rs. 1,47,69,320 has been demanded of which 26,60,471 has been paid and 20,00,000 has been paid under protest and the said order is pending with (CESTAT, Hyderabad).

- (viii) According to the information and explanations given to us there are no such transactions which have been surrendered or disclosed as income during the current financial year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- (ix) (a) In our opinion and according to the information and explanations given to us, there are no loans or borrowings which are defaulted in repayment of loans and borrowings to a financial institution, banks and government during the year except in the following cases.



Nature of borrowing	Name of lender	Amount not paid on due date	Whether principal or interest	No of days of delay
Cash credit account	IDBI Bank	22,01,85,451	Interest	Multiple dates
Cash credit account	ICICI Bank	28,74,98,892	Both	Multiple dates
Cash credit account	Standard Chartered Bank	23,06,57,875	Both	Multiple dates
Cash credit account	Punjab National Bank	30,20,03,232	Both	Multiple dates
Cash credit account	Esaar India Ltd	66,283,565	Both	Multiple dates
Cash credit account	Union Bank of India	25,05,575	Both	Multiple dates

(b) According to the information and explanations given to us, the company is not declared as wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained and there are no fresh term loans term loans that are availed during the current financial year.

(d) According to the information and explanations given to us, there are no such funds raised on short term basis which have been utilised for long term purposes.



- (e) According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) To the best of our knowledge and according to the information and explanations given to us no fraud by the company or any fraud on the company has been noticed or reported during the year and there are no whistle-blower complaints received during the year by the company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2020 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.



- (xiv) (a) In our opinion and according to the information and explanations given to us the company has an internal audit system commensurate with the size and nature of its business;
(b) The reports of the Internal Auditors for the period under audit were considered by us.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.
- (xvii) The company has incurred cash losses of Rs.419.66 lakhs for the Financial year 2021-22 and of Rs.2291.56 lakhs in the immediately preceding financial year 2020-21.
- (xviii) There is no resignation of the statutory auditors during the year.
- (xix) In our opinion, to the best of our information and according to the explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and more particularly, our knowledge of Board of Directors and Management plans and based on our examination of evidence supporting the assumptions, nothing as come to our attention, that no material uncertainty exists as on the date of the audit report. We, however, state that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is



based on the facts up to the date of the Audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) In our opinion, to the best of our information and according to the explanations given to us, CSR is not applicable during the financial year and there is no unspent amount outstanding for the Financial year 2021-22.

(xxi) We are unable to comment upon the qualifications or adverse remarks by the respective auditor's in respect of other Joint ventures included in the consolidated financial statements as the financial statements are un-audited as on the date of audit report.

For **VENKATSRINIVAS & CO.,**
Chartered Accountants
Firm's Registration No.012206S


CA.A. SRINIVAS

Partner

Membership No. 029619

UDIN: 22029619ARCMSR7286



Place: Visakhapatnam

Date: 29.08.2022

Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	13,523.34	17,294.46
(b) Capital Work in Progress		-	-
(c) Financial Assets			
(i) Investments	5	4.95	4.95
(ii) Other Financial Assets	5 & 8	3,541.54	3,379.93
(d) Deferred Tax Asset	4	5,148.77	5,103.87
(e) Other Non-current Assets	6	-	-
Total Non-Current Assets		22,218.60	25,783.21
2 CURRENT ASSETS			
(a) Inventories	7	1,522.79	2,250.50
(b) Financial Assets			
(i) Trade Receivables	8	20,596.33	25,514.06
(ii) Cash and Cash Equivalents	9	3,626.39	2,403.22
(iii) Bank balance other than (ii) above	9	1,015.43	1,895.60
(iii) Other Financial Assets	5	447.47	651.72
(c) Other Current Assets	6	46,631.01	45,145.19
Total Current Assets		73,839.42	77,860.28
Total Assets		96,058.01	103,643.49
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	10	2,055.28	2,055.28
(b) Other Equity	11	8,459.21	11,885.73
Total Equity		10,514.49	13,941.01
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	12	15.99	15.91
(ii) Other Financial Liabilities	13	728.68	764.97
(iii) Provisions	16	226.93	177.03
(b) Other Non Current Liabilities	17	8,680.19	6,961.46
Total Non-Current Liabilities		9,651.79	7,919.36
4 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	14	36,550.85	34,368.29
(ii) Trade Payables	15	23,796.21	25,687.82
(iii) Other Financial Liabilities	13	4,627.74	5,640.23
(b) Provisions	16	222.33	220.70
(c) Other Current Liabilities	17	10,694.61	15,866.08
Total Current Liabilities		75,891.73	81,783.12
Total Liabilities		85,543.52	89,702.48
Total Equity & Liabilities		96,058.01	103,643.49
Corporate information and significant accounting policies	1 & 2		
See accompanying notes forming part of Financial Statements			

In terms of our audit report attached
For Venkat Srinivas & Co
Chartered Accountants
Firm's Registration No. 0122065

A. Srinivas
Partner
(Membership No. 029619)

S. Vijaya Kumar
Chairman
(DIN:00087623)

For and on behalf of the Board of Directors of
Vijay Nirman Company Private Limited

V. Ajay Kumar
Managing Director
(DIN:01797519)

S. Kumar Raja
Chief Financial Officer

Surabhi Dudheri
Company Secretary

Date: 29 August, 2022
Place: Vishakhapatnam

Y V Ramana
Chief Executive Officer
(DIN:00470279)



DIN - 22029619 ARC MSR 7286

N₂

Vijay Nirman Company Private Limited
Standalone Statement of Profit and Loss for the year ended 31 March, 2022
All Amounts are in Lakhs unless otherwise stated



Particulars	Note No.	Year ended 31 March, 2022	Year ended 31 March, 2021
REVENUE			
Revenue from operations	18	83,987.59	64,425.06
Other Income	19	596.82	656.84
Total Income		84,584.41	65,081.90
EXPENSES			
Operating Expenses-Cost of Sales	20	73,170.36	53,043.95
Finance costs	21	3,889.22	7,204.88
Depreciation and amortisation expense	3	2,195.46	2,504.99
Employee Benefit Expense	25	5,153.77	4,751.45
Other expenses	22	3,669.27	2,723.97
Total Expenses		88,078.07	70,229.23
Profit before tax		(3,493.66)	(5,147.33)
Tax Expense			
Current tax		17.91	2.07
Deferred tax expense/(benefit)	4	(44.90)	(1,721.39)
Total tax expense		(26.99)	(1,719.32)
Profit after tax		(3,466.68)	(3,428.01)
Profit from continuing operations for the year attributable to:			
Owners of the Company			
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss		-	-
(a) Remeasurements of the defined benefit plans		40.16	58.98
B (i) Items that may be reclassified to Profit or Loss		-	-
(a) Change in revaluation surplus		-	-
Total other comprehensive income / (loss) (A + B)		40.16	58.98
Total Comprehensive profit / (Loss) for the year (9 + 11)		(3,425.22)	(3,369.03)
Earnings per equity share			
Basic/Diluted	25	(16.87)	(16.68)
Corporate information and significant accounting policies	1 & 2		
See accompanying notes forming part of Financial Statements			

In terms of our audit report attached
For Venkat Srinivas & Co
Chartered Accountants
Firm's Registration No: 0122065

For and on behalf of the Board of Directors of
Vijay Nirman Company Private Limited

A. Srinivas
Partner
(Membership No. 0226159)

S. Vijaya Kumar
Chairman
(DIN:00087623)

V. Ajay Kumar
Managing Director
(DIN:01797519)



Date: 29 August, 2022
Place: Vishakhapatnam

Y. V. Ramana
Chief Executive Officer
(DIN:00470279)

S. Kumar Raja
Chief Financial Officer

Surabhi Dudheria
Company Secretary

VDIN-22029619 ARCMSR 7286

Vijay Nirman Company Private Limited
Statement of Changes in Equity for the year ended 31 March, 2022
All amounts are in Lakhs unless otherwise stated

A. Equity share capital	
Particulars	Rs. in Lakhs
As at 1 April, 2020	2,055.28
Changes in equity share capital during the year	-
As at 31 March, 2021	2,055.28
Changes in equity share capital during the year	-
As at 31 March, 2022	2,055.28

B. Other Equity

Particulars	Reserves and Surplus				Items of other comprehensive income		
	Capital Redemption Reserve	General Reserve	Securities Premium	Retained Earnings	Revaluation Reserve	Actuarial Gain/Loss	Total
As at 1 April, 2020	190.00	240.00	10,641.35	2,263.94	1,983.06	(63.60)	15,254.76
Additions during the period	-	-	-	(3,428.01)	-	58.98	(3,369.03)
Deductions during the period	-	-	-	-	-	-	-
Transfer to other reserves	-	-	-	-	-	-	-
As at 31 March, 2021	190.00	240.00	10,641.35	(1,164.06)	1,983.06	(4.62)	11,885.73
Additions during the period	-	-	-	(3,466.68)	-	40.16	(3,426.52)
Deductions during the period	-	-	-	-	-	-	-
Transfer to other reserves	-	-	-	-	-	-	-
As at 31 March, 2022	190.00	240.00	10,641.35	(4,630.74)	1,983.06	35.54	8,459.21

In terms of our audit report attached
For Venkat Srinivas & Co
Chartered Accountants
Firm's Registration No: 0122065



A. Srinivas
Partner
(Membership No. 029619)

Date: 29 August, 2022
Place: Vishakhapatnam

For and on behalf of the Board of Directors of
Vijay Nirman Company Private Limited

[Signature]
V. Ajay Kumar
Managing Director
(DIN:01797519)

[Signature]
S. Vijaya Kumar
Chairman
(DIN:00087623)

[Signature]
S. Kumar Raja
Chief Financial Officer
(DIN:00470279)

[Signature]
Surabhi Dudheria
Company Secretary





	For the Year ended	
	31 March 2022	31 March 2021
Cash flow from operating activities		
Profit/(loss) before tax and share in profits of integrated joint ventures	(3,493.66)	(5,147.33)
Adjustment for:		
- Depreciation expense	2,195.46	2,504.99
- Interest income	(127.70)	(194.66)
- Finance cost	3,889.22	7,204.88
- Profit/loss on sale of fixed assets	815.41	-
- Provision for employee benefits	38.66	91.11
- Liabilities no longer required written back	(0.97)	(2.40)
- Receivables written off	24.81	262.07
Operating profit before working capital changes	3,341.21	4,718.66
Adjustments for working capital :		
(Increase)/ decrease in inventories	727.71	1,307.38
Increase in trade receivables	4,890.66	2,634.38
Increase in loans and advances	2,732.04	(833.33)
(Increase)/ decrease in other assets	(3,929.00)	(420.55)
Increase/(decrease) in trade payables	(2,824.30)	430.87
Increase in other liabilities and provisions	(2,819.44)	(2,758.54)
Cash generated from operations	2,118.88	5,078.86
Direct taxes (paid)/refund received	(204.94)	(576.04)
Net cash generated from operating activities	1,913.94	4,502.82
Cash flow from investing activities		
Purchase of tangible assets	(214.69)	(1,458.05)
Sale of tangible assets	974.94	548.27
Decrease/(increase) in other bank balances	726.57	(605.74)
Interest received	123.62	229.64
Net cash used in investing activities	1,610.45	(1,285.89)
Cash flow from financing activities		
Issue of equity shares	-	-
Repayment of long-term borrowings	(497.33)	(480.18)
Proceeds/(repayment) of short-term borrowings, net	2,182.56	1,428.63
Finance cost paid	(3,986.46)	(4,455.57)
Net cash used in financing activities	(2,301.23)	(3,507.12)
Net (decrease)/increase in cash and cash equivalents	1,223.17	(290.19)
Cash and cash equivalents at the beginning of the year	2,403.22	2,693.41
Cash and cash equivalents at the end of the year	3,626.39	2,403.22

Cash Flow Statement for the Year ended 31 March 2022 (continued)

	For the Year ended	
	31 March 2022	31 March 2021
Cash and cash equivalents includes:		
Cash on Hand	-	0.02
Balances with banks:		
- current accounts	3,240.85	1,516.91
- deposit accounts	385.54	886.29
Cash and cash equivalents at the end of the year (refer note 10)	3,626.39	2,403.22

This is the Cash Flow Statement referred to in our report of even date.

In terms of our audit report attached
For Venkat Srinivas & Co.
Chartered Accountants
Firm's Registration No. 0122065



A. Srinivas
Partner
(Membership No. 099619)

S. Vijaya Kumar
Chairman
(DIN:00087623)

For and on behalf of the Board of Directors of
Vijay Nirman Company Private Limited

V. Ajay Kumar
Managing Director
(DIN:01797519)



Date: 29 August, 2022
Place: Vishakhapatnam

Y V Ramana
Chief Executive Officer
(DIN:00470279)

S. Kumar Raja
Chief Financial Officer

Surabhi Dudheria
Company Secretary

UDIN - 22020619ARCMSR7286

Vijay Nirman Company Private Limited
Notes to the financial statements for 31 March, 2022
All amounts are in Lakh unless otherwise stated

Note No. 3 - Property, Plant and Equipment

Description of Assets	Free hold land	Building	Office Equipment	Furniture and Fixtures	Computer	Plant and Equipment	Centering and Shuttering equipment	Vehicles	Temporary structures	Total
I. Gross Carrying Amount										
Balance as at 1 April, 2021	371.20	367.01	116.83	238.54	168.48	6,895.63	18,879.01	487.22	1,413.44	28,937.37
Additions	-	-	2.07	7.33	6.25	82.79	102.31	0.66	13.28	214.69
Disposals	-	-	-	-	0.48	86.11	2,523.76	42.48	-	2,652.83
Revaluation Adjustment	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2022	371.20	367.01	118.90	245.87	174.25	6,892.30	16,457.56	445.41	1,426.71	26,499.23
II. Accumulated depreciation and impairment										
Balance as at 1 April, 2021	-	66.44	81.54	152.18	127.58	4,306.84	5,273.17	241.95	1,393.21	11,642.91
Depreciation expense for the year	-	14.64	6.97	19.57	12.96	535.90	1,541.05	25.37	39.01	2,195.46
Disposals	-	-	-	-	0.45	56.79	760.13	39.61	5.50	862.48
Balance as at 31 March, 2022	-	81.08	88.51	171.75	140.09	4,785.94	6,054.09	227.72	1,426.71	12,975.89
III. Net carrying amount (I-II)	371.20	285.93	30.40	74.12	34.17	2,106.36	10,403.47	217.69	0.00	13,523.34

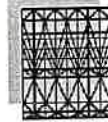
Description of Assets	Free hold land	Building	Office Equipment	Furniture and Fixtures	Computer	Plant and Equipment	Centering and Shuttering equipment	Vehicles	Temporary structures	Total
I. Cost or Deemed Cost										
Balance as at 1 April, 2020	371.20	367.01	112.70	224.95	162.77	7,080.03	17,722.57	488.49	1,348.70	27,878.44
Additions	-	-	4.13	13.59	5.71	51.55	1,641.98	0.38	64.73	1,782.08
Disposals	-	-	-	-	-	235.95	485.54	1.65	-	723.15
Revaluation Adjustment	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2021	371.20	367.01	116.83	238.54	168.48	6,895.63	18,879.01	487.22	1,413.44	28,937.37
II. Accumulated depreciation and impairment										
Balance as at 1 April, 2020	-	51.05	70.76	130.53	104.16	3,785.51	3,768.99	185.86	1,281.76	9,378.62
Depreciation expense for the year	-	15.39	10.78	21.66	23.42	690.96	1,574.03	57.30	111.45	2,504.99
Disposals	-	-	-	-	-	169.63	69.85	1.21	-	240.69
Balance as at 31 March, 2021	-	66.44	81.54	152.18	127.58	4,306.84	5,273.17	241.95	1,393.21	11,642.91
III. Net carrying amount (I-II)	371.20	300.57	35.29	86.35	40.90	2,588.80	13,605.85	245.27	20.23	17,294.46

i. Refer note 2 for the policy on Recognition and measurement of Property, Plant and Equipment and depreciation methods used.

** Non current asset held for sale to the extent of Rs 220 lakhs has been reclassified to Free hold land during the financial year ended 31 March 2019, as the sale did not happen

* Non current assets held for sale to the extent of Rs 47.67 lakhs and 123.37 lakhs have been reclassified to Free hold land and Building respectively during the financial year ended 31 March 2018, as the sale did not happen





Note No. 4 - Deferred Tax Asset

(i) Reconciliation between average effective tax rate and applicable tax rate

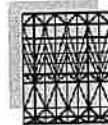
The Company has carry forward losses which are absorbed to the extent of current year tax profits and there is no tax expense for the current year. Accordingly, the disclosure relating to reconciliation of income tax expenses

(ii) Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet.

Particulars	For the Year ended 31 March 2022		
	Opening Balance	Recognised in profit and Loss	Closing Balance
<u>Tax effect of items constituting deferred tax assets</u>			
Property, Plant and Equipment	275.90	234.74	510.64
Provision for employee benefits	138.97	18.00	156.97
Provision for doubtful advances	-	-	-
Unabsorbed depreciation	875.24	2,114.23	2,989.48
Business loss	3,813.76	(2,322.08)	1,491.68
Total	5,103.87	44.90	5,148.77
Net Tax Asset / (Liabilities)	5,103.87	44.90	5,148.77

Particulars	For the Year ended 31 March 2021		
	Opening Balance	Recognised in profit and Loss	Closing Balance
<u>Tax effect of items constituting deferred tax assets</u>			
Property, Plant and Equipment	376.19	(100.29)	275.90
Provision for employee benefits	132.28	6.67	138.97
Provision for doubtful advances	-	-	-
Unabsorbed depreciation	1,044.12	(168.86)	875.24
Business loss	1,829.89	1,983.87	3,813.76
Total	3,382.48	1,721.39	5,103.87
Net Tax Asset / (Liabilities)	3,382.48	1,721.39	5,103.87





Note No. 5 - Investments

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Current	Non Current	Current	Non Current
A. COST				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
- of Surapaneni LLP	-	4.95	-	4.95
INVESTMENTS CARRIED AT COST	-	4.95	-	4.95

Note No. 5 - Other Financial Assets

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Current	Non- Current	Current	Non- Current
a) Security Deposits				
- Unsecured, considered good	203.14	97.69	203.65	91.93
TOTAL (a)	203.14	97.69	203.65	91.93
b) Loans to related parties				
- Unsecured, considered good	-	-	-	-
Less: Allowance for Credit Losses	-	-	-	-
TOTAL (b)	-	-	-	-
c) Other Bank Balances				
Restricted Cash and bank balances	-	-	-	431.67
- Earmarked Deposit account with scheduled banks	-	585.27	-	-
TOTAL (c)	-	585.27	-	431.67
d) Capital Advances				
e) Earnest Money Deposit	244.33	-	448.08	-
Less: Allowance for Credit Losses	-	-	-	-
GRAND TOTAL	447.47	682.95	651.72	523.60





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Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Current	Non- Current	Current	Non- Current
a) Advances other than capital advances				
(i) Balances with government authorities (other than income taxes)	2,613.74	-	3,739.82	-
(ii) Other advances (Mobilisation & Material Advances to Sub-Contractors)	78.37	-	1,803.74	-
Less Provision for Doubtful Advance	-	-	-	-
b) Advance income tax - Unsecured, considered good	2,889.42	-	2,684.48	-
c) Prepaid Expenses	335.80	-	136.55	-
d) Interest Accrued	167.16	-	163.09	-
	6,084.50	-	8,527.67	-
e) Contract Assets (refer note 31, 36 and 37)	40,546.51	-	36,617.51	-
	40,546.51	-	36,617.51	-
	46,631.01	-	45,145.19	-

Note No. 7 - Inventories

Particulars	As at 31 March, 2022	As at 31 March, 2021
Construction Materials	1,522.79	2,250.50
Total Inventories (at lower of cost and net realisable value)	1,522.79	2,250.50

Note No. 8 - Trade Receivables (Ref Note 36)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Current	Non Current	Current	Non Current
(I) Outstanding for less than 6 months				
- Unsecured, considered good	7,646.91	1,725.08	25,577.78	2,856.33
(II) Outstanding for more than 6 months and less than 1 Year				
- Unsecured, considered good	1,379.45	300.69		
(III) Outstanding for more than 1 year and less than 3 Year				
- Unsecured, considered good	2,366.48	527.95		
(III) Outstanding for more than 1 months and less than 3 Year				
- Unsecured, considered good	9,267.21	304.87		
- Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
- Considered doubtful	-	-	-	-
	20,660.06	2,858.59	25,577.78	2,856.33
Less : Allowance for doubtful trade receivables (63.73)	(63.73)	-	(63.73)	-
Total	20,596.33	2,858.59	25,514.06	2,856.33
Of the above, trade receivables from:				
- Related Parties	979.80	-	924.56	-





Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with banks		
In Current Accounts	3,240.85	1,516.91
Deposits with original maturity of less than three months	385.54	886.29
Cash on Hand	-	0.02
Total Cash and cash equivalents	3,626.39	2,403.22
Bank Balance other than above		
-Deposit accounts with maturity period more than 3 months but less than 12 months	1,015.43	1,895.60
	1,015.43	1,895.60

Reconciliation of Cash and Cash Equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Total Cash and Cash Equivalents as per Balance Sheet	3,626.39	2,403.22
Total Cash and Cash Equivalents as per Statement of Cash flow	3,626.39	2,403.22



Notes to the financial statements for 31 March, 2022
All amounts are in Lakh unless otherwise stated
Note No. 11 - Other equity

Particulars	As at 31 March, 2022	As at 31 March, 2021
Retained earnings	(4,630.74)	(1,164.06)
Capital Redemption Reserve	190.00	190.00
General Reserve	240.00	240.00
Securities Premium	10,641.35	10,641.35
Items of other comprehensive income		
-Revaluation Reserve	1,983.06	1,983.06
-Actuarial Gain/Loss	35.54	(4.62)
Total Other Equity	8,459.21	11,885.73

Note No. 12 - Non-Current Borrowings

Particulars	As at 31 March, 2022	As at 31 March, 2021
Measured at amortised cost		
A. Secured Borrowings:		
Equipment Loans - Refer Note A	15.99	15.91
Total Secured Borrowings	15.99	15.91



Note No. 13 - Other Financial Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non Current		
Retention Money Payable	728.68	764.97
	728.68	764.97
Current		
a) Current maturities of Long term borr - Refer Note A	12.90	30.78
b) Interest accrued		
i) Interest Accrued and due on borrowings	2,816.95	2,914.18
ii) Interest Accrued and Not due on borrowings		
c) Other liabilities		
Retention Amounts payable	1,797.89	2,695.27
Total other financial liabilities	4,627.74	5,640.23



Note No. 14 - Current Borrowings

Particulars	As at 31 March, 2022	As at 31 March, 2021
A. Secured Borrowings		
From Banks- Cash Credit Facility	35,006.33	32,781.27
Total Secured Borrowings	35,006.33	32,781.27
B. Unsecured Borrowings		
Loans from related parties	1,544.52	1,587.02
From Others	-	-
Total Unsecured Borrowings	1,544.52	1,587.02
Total Current Borrowings	36,550.86	34,368.30





Note A - i) Security details of Borrowings

Working capital loans repayable on demand

- i) As per the terms of consortium agreement, the availed credit facilities are secured in favour of the said banks by way of:
- First Pari-Passu charge by way of Hypothecation on all the Current Assets, namely Stocks of Raw material,
 - ii) First Pari-Passu charge on all the movable Fixed assets of the borrower including its movable Plant &
 - iii) The above short term borrowings carry an annual interest rate around 12.50% to 15.45%
 - iv) Unsecured working capital borrowings from related and other parties are repayable on demand.
 - v) All the above loans are further secured jointly and severally by personal guarantees of directors namely S.Vijaya Kumar, V.Ajay Kumar, A.V.V.V. Prasad and Y.V. Ramana.

ii) Security details of Equipment Loans:

Vehicle and equipment loans:

- Vehicle and equipment loans from banks aggregating to ₹28,88,534 (31 March 2021: ₹57,62,273) are secured by:
 - a) charge on the assets procured out of the proceeds of the loan; and
 - b) personal guarantees of certain directors of the Company. The balance loans are repayable in 12 to 56 installments and attract an annual interest rate in the range of 9.10% to 9.20% (31 March 2021: 9.10% to 9.20%).

Note No. 15 - Trade Payables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current		
Trade payable - total outstanding dues to micro and small enterprises (Refer Note 27)		
Trade payable - creditors other than micro and small enterprises	23,796.21	25,687.82
Total trade payables	23,796.21	25,687.82

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

Note No. 16 - Provisions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current Provisions		
Employee Benefits	226.93	177.03
Total Non Current Provisions	226.93	177.03
Current Provisions		
Compensated absences	-	-
Gratuity	9.09	7.46
Bonus Payable	213.24	213.24
Total Current Provisions	222.33	220.70



Note No. 17 - Other Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Other Non Current Liabilities		
a. Advances received from customers-Under Construction Contracts.	8,680.19	6,961.46
Total Other Non Current Liabilities	8,680.19	6,961.46
Other Current Liabilities		
a. Advances received from customers-Under Construction Contracts	7,642.67	12,616.46
b. Capital Creditors	-	-
c. Due to Employees	1,492.00	1,426.64
d. Due to others	-	-
e. Statutory dues		
- taxes payable (other than income taxes)	1,548.00	1,805.04
-interest accrued and due	11.95	11.95
f. Income tax	-	-
-Other credit balances	-	6.00
Total Other Current Liabilities	10,694.61	15,866.07



Vijav Nirman Company Private Limited
Notes to the financial statements for 31 March, 2022

All amounts are in Lakh unless otherwise stated

Note No. 18 - Revenue from Operations

The following is an analysis of the company's revenue for the year from continuing operations.

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Revenue from rendering of services-Contract Revenue	82,903.74	62,944.16
Other Operating Revenue		
- Sale of scrap	381.14	204.54
- Sale of construction material	702.70	1,276.37
Total Revenue from Operations	83,987.59	64,425.06

Note No. 19 - Other Income

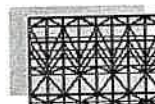
Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Interest Income		
On Financial Assets at Amortised Cost	127.70	194.66
Liabilities no longer required written-back	0.97	2.40
Miscellaneous Income	468.15	459.78
Profit on sale of Fixed Assets	-	-
Total Other Income	596.82	656.84

Note No. 20 - Operating Expenses

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
<u>Inventories at the beginning of the year:</u>		
Construction Materials Opening stock	2,250.50	3,557.89
 Add: Expenses Incurred during the year		
Purchases made during the year	19,013.15	21,198.31
Labour charges	2,096.96	1,496.75
Job-work charges	46,508.13	24,822.04
Power and fuel	2,380.24	1,686.60
Rent of construction equipment	2,234.71	2,331.55
Repairs and Maintenance - Construction Equipment	209.45	201.32
<u>Inventories at the end of the year:</u>		
Construction Materials Closing stock	(1,522.79)	(2,250.50)
Net (increase) / decrease	73,170.36	53,043.95



Vijay Nirman Company Private Limited
Notes to the financial statements for 31 March, 2022
All amounts are in Lakh unless otherwise stated



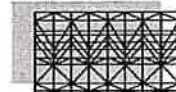
Note No. 21 - Finance Cost

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Interest Expense - On Financial Liability at Amortised Cost	3,170.58	5,885.77
Other borrowing cost	718.64	1,319.10
Total finance costs	3,889.22	7,204.88

Note No. 22 - Other Expenses

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Rent including lease rentals	403.16	372.29
Repairs and maintenance - Others	17.50	34.78
Rates and Taxes	1,138.68	646.84
Office Maintenance	67.85	48.54
Communication expenses	33.69	42.93
Bank charges	47.60	16.05
Travelling and conveyance	205.95	275.49
Donations	1.81	8.61
Insurance	69.08	106.50
Receivables Written-off	24.81	262.07
Expenditure on Corporate Social Responsibility	-	-
Directors' sitting fees	0.40	1.80
Security charges	339.19	316.11
Auditors remuneration and out-of-pocket expenses	-	-
As Auditors	6.00	6.00
For Other services	-	-
For reimbursement of expenses	-	-
Legal and other professional costs	390.68	467.36
Loss on sale of Fixed Assets	815.41	-
Miscellaneous Expenses	107.47	118.60
Total Other Expenses	3,669.27	2,723.97





Note No. 23 - Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility (CSR) committee to undertake the corporate social responsibility activities in accordance with the provisions of the Companies Act, 2013. As per the Provisions of the Companies Act, the Company was not needed to spend any amount in respect of CSR during the current Financial year.

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Expenditure On CSR Activities:		
Balance unspent CSR at the beginning of the year	(9.92)	14.17
Gross amount required to be spent by the company during the year	-	-
Amount spent by the Company		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than above	-	24.10
Amount to be spent in the future years	(9.92)	(9.92)

Note No. 23(a) - Segment information

Business segments

The Group and its jointly controlled entities operations predominantly consist of construction /project activities. Based on the group and its jointly controlled entities' business model and considering the internal financial reporting to the management, the revenue from construction and project related activities has been considered as the only reportable segment. Further all services are rendered only in India. Hence, no separate financial disclosures have been provided for business and geographical segment reporting.

Note No. 24 - Earnings per Share

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
	Per Share	Per Share
Basic/Diluted Earnings per share	(16.87)	(16.68)
From discontinuing operations (Rs.) per share		
Total basic/diluted earnings per share	(16.87)	(16.68)

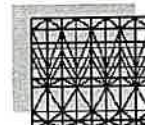
Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Profit for the year attributable to owners of the Company	(3,466.68)	(3,428.01)
Less: Preference dividend and tax thereon		
Profit for the year used in the calculation of basic earnings per share	(3,466.68)	(3,428.01)
Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations		
Profits used in the calculation of basic earnings per share from continuing operations	(3,466.68)	(3,428.01)
Weighted average number of equity shares	20,552,839	20,552,839
Earnings per share from continuing operations - Basic	(16.87)	(16.68)



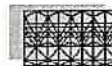
Vijay Nirman Company Private Limited.
Notes to the financial statements for 31 March, 2022
All amounts are in Lakh unless otherwise stated



Note No. 25 - Employee Benefits Expense

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
(a) Salaries and wages, including bonus	4,132.89	3,672.67
(b) Contribution to provident and other funds	301.11	318.00
(d) Staff welfare expenses - EBE	679.61	701.80
Employee Benefit Expense other than OCI	5,153.77	4,751.45
Other Comprehensive income		
(a) Remeasurements of the defined benefit plans	(40.16)	(58.98)
Total Employee Benefit Expense	5,113.61	(58.98)





26) Trade payables

There are no micro and small enterprises to whom the Company owes dues as at the reporting date. The micro and small enterprises have been identified by management on the basis of information available with the Company and have been relied upon by the auditors.

27) Commitments and contingent liabilities

Commitments

	As at	
	31 March 2022	31 March 2021
Estimated amount of contracts amounting to be executed on capital account and not provided for (net of advances)	-	-

Contingent liabilities

i) The Company is contingently liable, jointly and severally, in respect of construction contracts executed as jointly controlled operations towards liquidated damages in respect of actual delays in completion of the projects. The amount of such contingent liability is not ascertainable as at 31 March 2022 (31 March 2021: Not ascertainable). BG outstanding - Rs.2,72,62,89,846 (31 March 2021: ₹3,05,50,19,577).

ii) Counter indemnities given to banks in respect of contracts executed by joint ventures to the tune of ₹ 10,47,48,680 (31 March 2021: ₹15,05,35,000).

iii) The Company received a demand notice for Service Tax due payable against Fertilizer Handling in Kakinda port area wherein an additional tax liability of Rs.9,17,13,496 is demanded. We have filed the case with Appellant Tribunal (CESTAT, Hyderabad) and consequently the Company had paid ₹3,400,000 under protest and contested the said order which is pending with Appellate Tribunal and the hearing is postponed till further notice.

iv) The company has received Notice from Directorate of Revenue Intelligence Hyderabad, where additional customs duty liability has been demanded of Rs.1,47,69,320 of which 26,60,471 has been paid by the importer. We have filed a case with Appellant Tribunal (CESTAT, Hyderabad) and consequently company has paid an amount of 20,00,000 under protest and contested the said order which is pending with Appellate Tribunal and the hearing is postponed till further notice.

28) (a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating Rs.2,38,63,220 (2021 : Rs.2,87,69,564) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

Note: Where required by Ind AS 24 an entity discloses information about contributions to defined contribution plans for key management personnel. This is covered as a part of related party disclosures.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The gratuity plan is unfunded.

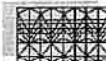
Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as

	31-Mar-22	31-Mar-21
Discount rate(s)	7.38%	6.88%
Expected rate(s) of salary increase	0%-3%	0%-3%

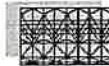




Defined benefit plans – as per actuarial valuation on 31st March, 2022

Particulars	Unfunded Plan	
	Gratuity	
	2022	2021
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	25.84	25.86
Past service cost and (gains)/losses from settlements		
Net interest expense	12.82	16.02
Components of defined benefit costs recognised in profit or loss	38.66	41.89
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)		
Actuarial gains and loss arising form changes in financial assumption	(14.36)	(3.12)
Actuarial gains and loss arising form experience adjustments	33.17	(72.59)
Actuarial gains and loss arising form Demographic Assumptions	-	-
Components of defined benefit costs recognised in other comprehensive income	18.81	(75.72)
Total		





I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	226.88	203.23
2. Fair value of plan assets as at 31st March		
3. Surplus/(Deficit)		
4. Current portion of the above	9.09	7.46
5. Non current portion of the above	217.79	195.77
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	203.23	237.06
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer		
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	25.84	25.86
- Past Service Cost		
- Interest Expense (Income)	12.82	16.02
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions		
ii. Financial Assumptions	(14.36)	(3.12)
iii. Experience Adjustments	33.17	(72.59)
5. Benefit payments	(33.81)	-
6. Others (Specify)		
7. Present value of defined benefit obligation at the end of the year	226.88	203.23
III. Change in fair value of assets during the year ended 31st March		
1. Contributions by employer (including benefit payments recovered)	-	-
2. Benefit payments	-	-
7. Fair value of plan assets at the end of the year	-	-
V. Actuarial assumptions		
1. Discount rate	7.38%	6.88%

Maturity profile of defined benefit obligation:	
	In Lakhs
	2022
year 1	9.09
year 2	9.73
year 3	10.04
year 4	10.61
year 5	10.83
year 6	11.00
year 7	11.07
year 8	15.31
year 9	21.85
year 10	25.40

Note: Where required by Ind AS 24 an entity discloses information about: (a) related party transactions with post-employment benefit plans; and (b) post-employment benefits for key management personnel.

Note: Where required by Ind AS 37 an entity discloses information about contingent liabilities arising from post employment benefit obligations.





30) Related party disclosures

a) Name of related parties and nature of relationship

Names	Nature of relationship
Sri. S. Vijaya Kumar	Key Management Personnel
Sri A.V.V.V. Prasad	Key Management Personnel
Sri V. Ajay Kumar	Key Management Personnel
Sri Anil Dhanpat Agrawal	Key Management Personnel
Sri Y.V. Ramana	Key Management Personnel
Sri Mahadev Deshpande	Key Management Personnel
Sri M. Narasimhappa	Key Management Personnel
Smt S. Chandana Sri	Relatives of Key Management Personnel
Smt S. Curie Rao	Relatives of Key Management Personnel
Sri S. Venkateswara Rao	Relatives of Key Management Personnel
Sri V. Ranga Prasad	Relatives of Key Management Personnel
Sri V V Subba Rao	Relatives of Key Management Personnel
Kridhan Infra Ltd	Party having significant influence on the company (Associate of the Company)
Surapaneni Trading LLP	Party where company has control (Subsidiary of the Company)
GEV Projects	Enterprise under significant influence of KMP
VNC-GEV Housing	Enterprise under significant influence of KMP
VNC - SVC JV	Party where company has control (Jointly controlled entities)
CVCC - VNC JV	Party where company has control (Jointly controlled entities)
VNC - Kalindee JV	Party where company has control (Jointly controlled entities)
Kalindee - VNC JV	Party where company has control (Jointly controlled entities)
SRC - VNC JV	Party where company has control (Jointly controlled entities)
VNC - KPCPL JV	Party where company has control (Jointly controlled entities)
KEC - VNC JV	Party where company has control (Jointly controlled entities)
VNC - KEC JV	Party where company has control (Jointly controlled entities)
RDS - VNCPL JV	Party where company has control (Jointly controlled entities)
VNC - RKCPL JV	Party where company has control (Jointly controlled entities)
Genius Edu Labs Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
SVC Tech Ventures LLP	Enterprises owned or significantly influenced by key management personnel or their relatives
Kridhan Infra Solutions Private Limited.	Enterprises owned or significantly influenced by key management personnel or their relatives
Kridhan Petrochemicals Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
KH Foges India Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Kridhan Infrastructures Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Kridhan Projects Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives



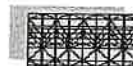


R P P Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Suryamukhi Trexim Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
VNC Housing Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
SURYAMUKHI TREXIM PVT LTDV	Enterprises owned or significantly influenced by key management personnel or their relatives
GEV Properties Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
GEV Agro Farms Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Aavaaz Consumer Services Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
GEV Developers LLP	Enterprises owned or significantly influenced by key management personnel or their relatives
AMARA RAJA POWER SYSTEMS LIMITED	Enterprises owned or significantly influenced by key management personnel or their relatives

b) Transactions with related parties

	For the year ended	
	31 March 2022	31 March 2021
Transactions with enterprise under significant influence of KMP		
GEV Projects		
Contract revenue	-	82.11
Contract cost	81.79	247.04
Transactions with associate		
Kridhan Infra Ltd		
Rental advance given	-	-
Interest payable on loan taken	-	66.52
Supply of materials	349.83	-
Transactions with enterprise under the jointly controlled operations		
SRC - VNC JV		
Contract revenue	124.91	-
VNC - KEC JV		
Contract revenue	217.57	-
Transactions with KMP		
V. Ajay Kumar		
Managerial remuneration	30.00	32.50
Interest on unsecured loans	-	-
S. Vijaya Kumar		
Managerial remuneration	91.05	90.88
Interest on unsecured loans	-	-
A.V.V.V. Prasad		
Managerial remuneration	42.00	42.50
Interest on unsecured loans	-	-
Y.V. Ramana		
Managerial remuneration	30.00	32.50
Transactions with relatives of KMP		
S. Curie Rao		
Interest on unsecured loans	21.60	24.00





30) Related party disclosures (continued)

c) Balance outstanding receivable/ (payable)

Particulars	As at	
	31 March 2022	31 March 2021
S. Vijaya Kumar	(1,190.51)	(1,267.06)
V. Ajay Kumar	(104.16)	(105.97)
A.V.V.V. Prasad	(29.44)	(54.44)
Y.V. Ramana	-	-
S. Curie Rao	(201.80)	(201.85)
Surapaneni Trading LLP	(62.84)	(62.84)
VNC-GEV Housing	263.91	263.91
GEV Projects	715.89	660.65
Kridhan Infra Ltd	(201.68)	57.60

Details of guarantees provided by directors:

	As at	
	31 March 2022	31 March 2021
i) Outstanding borrowings		
S.Vijaya Kumar	6,331,673,246	63,347.63
V. Ajay Kumar	6,334,561,780	63,409.42
A.V.V.V. Prasad	6,331,673,246	63,347.63
Y.V. Ramana	6,331,673,246	63,347.63
ii) Aggregate limits of guarantee		
S.Vijaya Kumar	7,367,400,000	73,674.00
V. Ajay Kumar	7,370,288,534	73,735.79
A.V.V.V. Prasad	7,367,400,000	73,674.00
Y.V. Ramana	7,367,400,000	73,674.00

Details of outstanding guarantees provided by Company:

	As at	
	31 March 2022	31 March 2021
Kalindee VNC JV	-	-
VNC Kalindee JV	-	-
VNC SVC JV	1,047.49	1,505.35

31) Disclosure under INDAS 115 "Revenue from Contracts with Customers"

Particulars	As at	
	31 March 2022	31 March 2021
Contract revenue from construction activity recognized for the year	82,903.74	62,944.16
Contract cost incurred and recognised profits (less recognised losses) for contracts in progress up to the reporting date	687,440.92	631,605.83
Advances received for contracts in progress	16,322.86	18,047.43
Amount of retention for contracts in progress	13,340.35	10,901.76
Unbilled revenue	40,546.51	36,617.51

32) Expenditure in foreign currency (accrual basis)

	For the year ended	
	31 March 2022	31 March 2021
Travelling and conveyance	-	-

33) Value of imports calculated on C.I.F basis

	For the year ended	
	31 March 2022	31 March 2021
Capital goods	-	-



**34) Investments in jointly controlled entities**

The company's interest, as a venturer, in jointly controlled entities (Joint operations) is:

Name of the ventures	Country of incorporation	Percentage of ownership interest	
		31 March 2022	31 March 2021
VNC - Kalindee	India	50%	50%
Kalindee - VNC	India	50%	50%
CVCC - VNC JV	India	26%	26%
VNC - SVC JV (Back to back contract from this joint operation)	India	59%	59%
SRC - VNC JV (Back to back contract to this joint operation)	India	49%	49%
VNC-KPC JV	India	51%	51%
KEC - VNC JV	India	40%	0%
RDS - VNCPL JV	India	65%	0%
VNC-KEC JV	India	51%/50%	0%
VNC-RKCIPL JV	India	80%	0%

The company's share of each of the assets, liabilities, income and expenses etc. (each without elimination of the effect of transactions between the company and joint operations) related to its interest in these joint

a) VNC KEC JV

	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	3.49
Current assets	2,824.51	1,046.70
Liabilities		
Current liabilities	1,647.46	1,042.44
	For the year ended	
	31 March 2022	31 March 2021
Income	8,213.73	909.10
Expenses	8,172.15	904.90
Profit/(Loss) for the year	41.58	4.20

b) KEC VNC JV

	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	42.04
Current assets	596.76	393.24
Liabilities		
Non-current liabilities	-	-
Current liabilities	596.18	392.10
	For the year ended	
	31 March 2022	31 March 2021
Income	1,277.52	609.18
Expenses	1,278.40	608.04
Profit/(Loss) for the year	(0.88)	1.14





c) VNC-KPC JV

	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	-
Current assets	284.18	424.43
Liabilities		
Non-current liabilities	-	-
Current liabilities	283.77	424.43
	For the year ended	
	31 March 2022	31 March 2021
Income	4,838.54	5,405.59
Expenses	4,839.04	5,405.59
Profit/(Loss) for the year	(0.51)	-

d) SRC-VNC JV

	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	-
Current assets	294.24	879.34
Liabilities		
Non-current liabilities	-	-
Current liabilities	295.86	878.51
	For the year ended	
	31 March 2022	31 March 2021
Income	1,776.67	7,941.80
Expenses	1,779.13	7,940.97
Profit/(Loss) for the year	(2.46)	0.83

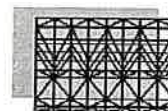
e) VNC RKCIPL JV

	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	-
Current assets	2,650.63	-
Liabilities		
Non-current liabilities	-	-
Current liabilities	2,734.89	-
	For the year ended	
	31 March 2022	31 March 2021
Income	16,674.76	-
Expenses	16,759.02	-
Profit/(Loss) for the year	(84.26)	-

f) RDS VNCPL JV

	For the year ended	
	31 March 2022	31 March 2021
Income	289.89	-
Expenses	289.89	-
Profit/(Loss) for the year	-	-





- 35) Additional information as required under paragraph 5 of the part II of the Schedule III to the Act to the extent either "Nil" or "Not Applicable" has not been furnished.
- 36) Trade receivables and unbilled revenues as at 31 March 2022 includes amounts receivable from the customers to the tune of ₹15,28,87,503 (31 March 2021: ₹15,27,52,234) and ₹56,23,43,061 (31 March 2021: ₹ 56,36,86,974) respectively, towards the consideration for the services rendered and certain escalations and variations, which have been recognized in accordance with the terms implicit in the contract. The management has initiated legal arbitration proceedings against certain customers and is
- 37) Unbilled revenues as at 31 March 2022 includes amounts receivable from a customer to the tune of ₹ 54,39,97,626 (31 March 2021: ₹ 54,52,06,225), which has been recognised in accordance with the terms of the underlying contract. The above said amount includes receivable towards the consideration for the services rendered, certain contractual escalations and variations in scope of work which are pending for approval from the client and are at various stages of negotiations and discussions. The management on the basis of assessment of the status and progress of negotiations, the compliance
- 38) The management is in the process of carrying out a series of negotiations with the customers in connection with proposed contract price revisions in relation to the works under execution and already executed. On the basis of assessment of the status of these ongoing negotiations, the management is of the view that the same will yield a positive outcome and consequently, the estimates of the contract
- 39) **Estimation of uncertainties relating to the global health pandemic from COVID-19**
The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline in global and local economic activities. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or



Additional Regulatory requirements

1. All the Title deeds of immovable property are held in the name of the Company.
2. The company has investment of Rs.4.95 lakhs capital Investment and same is continued from previous year. There is no fresh investment during the year and such investment is shown on cost basis.
3. Revaluation of property, Plant and Equipment has not been made in the current financial year, so additional reporting requirement is not required.
4. The company has no intangible assets during the current financial year, so additional reporting requirement is not required.
5. The Company has not granted loans or advances to promoters, directors, KMP'S and related parties. so additional reporting requirement is not required.
6. Company has no CAPITAL-WORK-IN PROGRESS, so additional reporting requirement is not required.
7. The company has no intangible assets under development, so additional reporting requirement is not required.
8. The company does not have any Benami property, where any proceedings have been initiated or pending against the company, for holding any benami property.
9. The company has made borrowings on the basis of current Assets, from Banks
 - a. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts, however there has been few differences which have arised on account of timing differences in Books of accounts.
10. The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year.
11. The Company does not have any transactions with struck-off companies.
12. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.



13. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017
14. The company doesn't have any scheme of arrangements which has been approved by the competent authority in terms of sec 230 to 237 of Companies act 2013.
15. (A) The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (intermediaries), with the understanding that the intermediary shall-
- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (B) The Company has not received any funds from any person(s) or entity(ies) , including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall-
- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
 - b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
16. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the (Income Tax Act, 1961).



17.Compliance related to CSR is not applicable. So additional reporting requirement is not required.

18.The company has not traded or invested in n Crypto currency or Virtual Currency during the financial year.

For **VENKATSRINIVAS&CO.,**
Chartered Accountants
Firm's Registration No.012206S


CA.A. SRINIVAS
Partner
Membership No. 029619
UDIN: 220296ARCMSR7286



Place: Visakhapatnam
Date: 29.08.2022

VIJAY NIRMAN COMPANY PVT. LTD.
Year Ended 31 March, 2022
Ratio Analysis

Particulars	31-Mar-2022	31-Mar-2021
1.Current Ratio		
Current Assets (A)	73,840	77,860
Current Liabilities	75,891	81,783
Current Ratio (A/B)	0.97	0.95
2.Debt Equity Ratio		
Loans as per Balance Sheet	36,580	34,415
Equity and Reserves (B)	10,515	13,941
Debt-Equity Ratio (A/B)	3.48	2.47
3.EBITDA Margin		
Profit Before Tax	(3,493)	(5,147)
Add: Depreciation	2,195	2,505
Add: Interest cost	3,889	7,205
EBITDA (A)	2,592	4,563
Total Debt(B)	36,580	34,415
Debt service coverage ratio	7.1%	13.3%
4.EBIT Margin		
Profit After Tax	(3,466)	(5,147)
Share holders equity	10,515	13,941
Return on equity (A/B)	-33.0%	-36.9%
5.PAT Margin		
Profit After Tax (A)	(3,466)	(5,147)
Turnover as per Profit and loss account (B)	84,584	65,082
Net profit ratio (A/B)	-4.1%	-7.9%
6.PBT Margin		
Profit Before Tax (A)	(3,493)	(5,147)
Turnover as per Profit and loss account (B)	84,584	65,082
Net profit ratio (A/B)	-4.1%	-7.9%
7.Return on Capital Employed		
EBIT (A)	396	2,058
Total assets	96,058	103,643
Current Liabilities	75,891	81,783
Capital employed	171,950	185,427
Return on Capital Employed (A/D)	0.2%	1.1%



8.Return on Investment		
PAT (A)	(3,466)	(5,147)
Networth (B)	10,515	13,941
Return on Investment (A/B)	-33.0%	-36.9%
9.Inventory Turnover ratio		
Cost of goods sold	73,170	53,044
Avg. Inventory	1,887	2,904
Inventory Turnover ratio	38.78	18.26
10.Trade receivable Turnover ratio		
Turnover (A)	84,584	65,082
Trade receivables	23,055	26,802
Trade receivable Turnover ratio	3.67	2.43
11.Trade Payable Turnover ratio		
Turnover (A)	84,584	65,082
Trade payables	24,742	26,821
Trade Payable Turnover ratio	3.42	2.43
12.Net Capital Turnover ratio		
Turnover (A)	84,584	65,082
Working Capital	(2,052)	(3,923)
Net Capital Turnover ratio	(41.23)	(16.59)



Vijay Nirman Company Private Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2022

1. General Information

Vijay Nirman Company Private Limited, (the 'Company' or 'VNCPL') incorporated as private limited company in accordance with the provisions of the erstwhile Companies Act, 1956 on 26 September, 1994, is an infrastructure company primarily engaged in business of undertaking all types of civil, electrical and mechanical works and civil construction of projects, undertaking of supply works and other engineering works with state and central government, corporation, private companies, municipalities and other local government bodies and authorities .

2. Significant Accounting Policies

2.1 Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by the Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and



Vijay Nirman Company Private Limited**Notes to Standalone Financial Statements for the year ended 31 March, 2022**

measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards. Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimals places.

2.3 Interest in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a company undertakes its activities under joint operations, the company as a joint operator recognises in relation to its interest in a joint operation:

1. Its assets, including its share of any assets held jointly,
2. Its liabilities, including its share of any liabilities incurred jointly,



Vijay Nirman Company Private Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2022

- 3 Its revenue from the sale of its share arising from the joint operation,
4. Its share of the revenue from the joint operations, and
5. Its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses.

2.4 Revenue recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective 1 April, 2018. Ind AS 115 supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Company has applied Ind AS 115 using the modified retrospective method and the cumulative impact of transition to Ind AS 115, if any has been adjusted against the Retained earnings as at April 1, 2018. Accordingly, the figures of the previous year are not restated under Ind AS 115. The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price. Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Profit & Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.



Vijay Nirman Company Private Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2022

Significant judgments are used in:

- a. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
- b. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

2.4.1 Construction contracts

- a. Cost plus contracts: Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
- b. Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.
- c. Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). In addition, the company recognises impairment loss (termed as provision for expected).

Price escalation and other claims and/or variation in the contract work are included in contract revenue only when:

- Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and
- The amount that is probable will be accepted by the customer can be measured reliably.



2.4.2 Revenue from sale of goods

Revenue from sale of traded goods is recognised when the control of the same is transferred to the customer and it is probable that the company will collect the consideration to which it is entitled for the exchanged goods. Performance obligations in respect of contracts for sale of traded goods is considered as satisfied at a point in time when the control of the same is transferred to the customer and where there is an alternative use of the asset or the company does not have either explicit or implicit right of payment for performance completed till date. In case where there is no alternative use of the asset and the company has either explicit or implicit right of payment considering legal precedents, performance obligation is considered as satisfied over a period of time and revenue is recognized over time.

2.4.3 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.5 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.



Vijay Nirman Company Private Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2022

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.7.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

2.7.2 Deferred tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.



Vijay Nirman Company Private Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2022

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.8 Employee Benefits:

Retirement benefit costs and termination benefits

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Superannuation

The Company's contribution to Superannuation fund is considered as defined contribution plans and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Provident Fund

Contribution to Provident fund made to Regional Provident Fund Commissioner is recognised as expense.

For defined post employment benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset



2.9 Property, plant and equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, directly attributable expenditure on making the asset ready for its intended use, less accumulated depreciation and cumulative impairment, if any. PPE acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs are capitalised in accordance with the Company's accounting policy

"The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of PPE" and "Cost of major inspections is recognised in the carrying amount of PPE as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE

PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress"

Depreciation on fixed assets is provided on written down value method over the useful life of the assets as prescribed under Schedule II of the companies Act, 2013. However in relation to the following assets, the depreciation is provided on straight-line method as per the useful lives estimated by management on the basis of their expertise in the field of provision of construction services and supported by a technical advice. The details of the useful lives assessed by the management and the useful lives as per Schedule II to the Act are as follows:

Class of Assets	Schedule II (in number of years)	Estimated Useful life (in number of years)
Computers	3-6	3
Temporary Structures	3	2
Centring and shuttering	12	12



Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed

Vijay Nirman Company Private Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2022

at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.10 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.



2.11 Inventories

Inventories are valued after providing for obsolescence, as under:

- a. Raw materials, components, construction materials, stores, spares and loose tools are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.
- b. Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of cost or net realisable value

Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

2.12 Investments in Subsidiaries, Associates and Joint ventures:

- On initial recognition, these investments are recognised at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

2.13 Provisions, Contingent Liabilities and Contingent Assets :

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are disclosed in the financial statements when flow of economic benefit is probable.

2.14 Non-current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.



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Notes to Standalone Financial Statements for the year ended 31 March, 2022

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

2.15 Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.16 Financial assets

Financial asset is

1. Cash / Equity Instrument of another Entity,
2. Contractual right to – a) receive Cash / another Financial Asset from another Entity, or b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

2.17 Subsequent measurement of the financial assets

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss



Vijay Nirman Company Private Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2022

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

2.18 Derecognition and Impairment of Financial Asset

A financial asset is primarily derecognised when:

- a. the right to receive cash flows from the asset has expired, or
- b. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in Profit or Loss.

The Company recognises impairment loss on investments when the carrying amount exceeds its recoverable amount.

2.19 Financial liabilities

A. Financial liability is Contractual Obligation to

- a) Deliver Cash or another Financial Asset to another Entity, or
- b) Exchange Financial Assets or Financial Liabilities with another Entity under conditions those are potentially unfavourable to the Entity.

B. Financial liability is derecognised when the related obligation expires or is discharged or cancelled.

2.20 Subsequent measurement of the financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

2.21 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:



Vijay Nirman Company Private Limited**Notes to Standalone Financial Statements for the year ended 31 March, 2022**

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- iii. all other items for which the cash effects are investing or financing cash flows. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.22 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Items requiring significant estimate	Assumption and estimation uncertainty
Useful lives of property, plant and equipment	The company reviews the estimated useful lives of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and Fair value. In estimating the net realisable value / Fair value of Inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.
Provision for employee benefits	The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on



Vijay Nirman Company Private Limited**Notes to Standalone Financial Statements for the year ended 31 March, 2022**

	plan assets, rate of increase in compensation levels and mortality rates.
Provision for taxes	Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions

2.23 Exceptional Items:

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

2.24 Operating cycle:

Operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.





VENKATSRINIVAS & CO., CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Vijay Nirman Company Private Limited

Report on the consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Vijay Nirman Company Private Limited**. (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which includes Group's share of profit/ loss in its joint ventures, comprising the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the **Companies Act, 2013** ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the **Companies (Indian Accounting Standards) Rules, 2015**, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31 March 2022, and their consolidated profit and consolidated comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SA"s). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI)



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together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information Other than the Financial Statements and Auditor's Report Thereon

The respective Board of Directors of the Company and its Joint Operation Companies are responsible for the preparation of other information. The other information comprise the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Associates and Joint ventures in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to



influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



Evaluate the overall presentation, structure and content of the Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

- financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis of Matter

We draw attention to note 36 and 37 relating to trade receivables and unbilled revenue respectively to the accompanying consolidated Ind AS financial statements regarding the recoverability of certain trade receivables and the unbilled revenues, recognised in the current and earlier years in respect of projects which were suspended or substantially closed and where the matters are currently under negotiations/ arbitration/ litigation. Pending ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in the accompanying consolidated financial statements.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of this matter.

Other Matters:

Venkat Srinivas& Co Chartered Accountants did not audit the financial statements of five Joint ventures, whose financial statements reflect net assets of Rs. (58.68) Lakhs as at 31 March, 2022, the revenues of Rs. 33,071.12 Lakhs for the year ended on that date, as considered in consolidated financial statements. These financial statements are unaudited as on the date of our audit and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosure included in respect of these joint ventures, is solely based on the financials provided by the management. In compliance with schedule III of the Companies act 2013 company has to disclose ageing schedule for



Trade payable, company has not furnished such information in notes to Accounts.

Our opinion is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
- h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.



i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company does not have any pending litigations which would impact its financial position;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **VENKATSRINIVAS & Co**
Chartered Accountants
(Firm's Registration No. 012206S)


CA.A. SRINIVAS
Partner
(Membership No. 029619)
UDIN: 22029619ARCUDX1603

Place: Visakhapatnam
Date: 29.08.2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph (e) under 'Report on Other Legal and
Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting
under Clause (i) of Sub-section 3 of Section 143 of the Companies
Act, 2013 ("the Act")**

1. In conjunction with our audit of the consolidated financial statements of Vijay Nirman Company Private Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), its jointly controlled entities as at and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company as of that date, as the provisions of Sub Section (3) of Section 143 of the Act are not applicable to the subsidiary and the jointly controlled entities.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.



4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the IFCoFR of the Holding Company.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For **VenkatSrinivas & Co**
Chartered Accountants
(Firm's Registration No. 001296S)


(**CA. A. SRINIVAS**)
Partner
Membership No. 029619
UDIN: 22029619ARCUDX1603



Place: Visakhapatnam
Date: 29.08.2022

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of Property, Plant and Equipment,

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, except for the particulars with respect to the location and quantity of certain Property, Plant and Equipment.

(B) According to the information and explanations given to us and the records examined by us, the Company has no Intangible assets.

(b) Property, Plant and Equipment have not been physically verified by the Management at reasonable intervals and therefore we are unable to comment on discrepancies, if any, which could have arisen on verification.

However, there is a regular program of physical verification of its Property, Plant and Equipment which are verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed (state any other relevant document which evidences title) provided to us, we report that, the title deeds, comprising of all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet



date. Company does not have any immovable properties of land and buildings that have been taken on lease.

- (d) According to the information and explanations given to us and the records examined by us, Company has not made any revaluation of Property, Plant and Equipment during the year.
 - (e) According to the information and explanations given to us there are no proceedings that are initiated or are pending against the company for holding any Benami property and Benami Transactions (Prohibition) Act 1988.
- (ii) (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies between physical inventory and book records were noticed on physical verification during the year.
- (b) According to the information and explanations given to us, the company is having a Fund Based working capital limit of Two hundred thirty-nine crore fifteen lakhs rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; the quarterly returns and statements comprising of stock and other stipulated financial information filed by the company with such banks are having timing difference with the books of accounts being audited by us.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, except for the ones being continued from previous years.



- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2016, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, CGST, SGST, IGST, duty of customs, Cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been few delays in some cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from due date they became payable are as follows:



Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Relates	Due Date	Date of payment
Income Tax Act, 1961	TCS Payable	7,59,973	2021-22	Multiple Dates	Payment made
Income Tax Act, 1961	TDS Payable	1,30,16,993	2021-22	Multiple Dates	Not yet paid (partial payments made)
The Building and other Construction Worker Welfare Cess Act, 1996	Labour Cess Payable	1,01,34,896	2020-21 & 2021-22	Multiple Dates	Not yet paid
Provident fund & Employee state insurance.	PF & ESI Payable	1,04,32,606	2021-22	Multiple Dates	Various dates

(b) According to the information and explanations given to us and the records of the company examined by us, the Company does not have any disputed/contingent liability arising during the year under review, however the company had previously received a demand notice for Service Tax due payable against Fertilizer Handling in Kakinada port area where in an additional tax liability of Rs. 9,17,13,496 was demanded. However, no dues are



pending as per books of the company. As such the Company had filed a case with Appellant Tribunal (CESTAT, Hyderabad) and consequently the Company paid of Rs. 34,00,000(as deposit money for filing case) under protest and contested the said order which is pending with Appellant Tribunal.

The company has received a notice for Differential customs duty payable against import of Aluminum Moulds where in additional tax liability of Rs. 1,47,69,320 has been demanded of which 26,60,471 has been paid and 20,00,000 has been paid under protest and the said order is pending with (CESTAT, Hyderabad).

- (viii) According to the information and explanations given to us there are no such transactions which have been surrendered or disclosed as income during the current financial year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- (ix) (a) In our opinion and according to the information and explanations given to us, there are no loans or borrowings which are defaulted in repayment of loans and borrowings to a financial institution, banks and government during the year except in the following cases.

Nature of borrowing	Name of lender	Amount not paid on due date	Whether principal or interest	No of days of delay
Cash credit account	IDBI Bank	22,01,85,451	Interest	Multiple dates
Cash credit account	ICICI Bank	28,74,98,892	Both	Multiple dates



Cash credit account	Standard Chartered Bank	23,06,57,875	Both	Multiple dates
Cash credit account	Punjab National Bank	30,20,03,232	Both	Multiple dates
Cash credit account	Esaar India Ltd	66,283,565	Both	Multiple dates
Cash credit account	Union Bank of India	25,05,575	Both	Multiple dates

(b) According to the information and explanations given to us, the company is not declared as wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained and there are no fresh term loans term loans that are availed during the current financial year.

(d) According to the information and explanations given to us, there are no such funds raised on short term basis which have been utilised for long term purposes.

(e) According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.



- (x) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) To the best of our knowledge and according to the information and explanations given to us no fraud by the company or any fraud on the company has been noticed or reported during the year and there are no whistle-blower complaints received during the year by the company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2020 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations given to us the company has an internal audit system commensurate with the size and nature of its business;
(b) The reports of the Internal Auditors for the period under audit were considered by us.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the



company has not entered into non-cash transactions with directors or persons connected with them.

- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.
- (xvii) The company has incurred cash losses of Rs.420.49 lakhs for the Financial year 2021-22 and of Rs.2291.56 lakhs in the immediately preceding financial year 2020-21.
- (xviii) There is no resignation of the statutory auditors during the year.
- (xix) In our opinion, to the best of our information and according to the explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and more particularly, our knowledge of Board of Directors and Management plans and based on our examination of evidence supporting the assumptions, nothing has come to our attention, that no material uncertainty exists as on the date of the audit report. We, however, state that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the Audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

company has not entered into non-cash transactions with directors or persons connected with them.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

(xvii) The company has incurred cash losses of Rs.420.59 lakhs for the Financial year 2021-22 and of Rs.2291.56 lakhs in the immediately preceding financial year 2020-21.

(xviii) There is no resignation of the statutory auditors during the year.

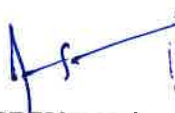
(xix) In our opinion, to the best of our information and according to the explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and more particularly, our knowledge of Board of Directors and Management plans and based on our examination of evidence supporting the assumptions, nothing as come to our attention, that no material uncertainty exists as on the date of the audit report. We, however, state that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the Audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.



(xx) In our opinion, to the best of our information and according to the explanations given to us, CSR is not applicable during the financial year and there is no unspent amount outstanding for the Financial year 2021-22.

(xxi) We are unable to comment upon the qualifications or adverse remarks by the respective auditor's in respect of other Joint ventures included in the consolidated financial statements as the financial statements are un-audited as on the date of audit report.

For **VENKATSRINIVAS&CO.,**
Chartered Accountants
Firm's Registration No.012206S


CA.A. SRINIVAS
Partner
Membership No. 029619
UDIN: 22029619ARCUDX1603



Place: Visakhapatnam
Date: 29.08.2022



2

Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	13,523.34	17,294.46
(b) Capital Work in Progress		-	-
(c) Financial Assets			
(i) Investments	5	4.95	4.95
(ii) Other Financial Assets	5 & 8	3,541.54	3,379.93
(d) Deferred Tax Asset	4	5,148.77	5,103.87
(e) Other Non-current Assets	6	-	-
Total Non-Current Assets		22,218.60	25,783.21
2 CURRENT ASSETS			
(a) Inventories	7	1,522.79	2,250.50
(b) Financial Assets			
(i) Trade Receivables	8	20,626.86	25,514.06
(ii) Cash and Cash Equivalents	9	3,626.56	2,403.22
(iii) Bank balance other than (ii) above	9	1,015.43	1,895.60
(iii) Other Financial Assets	5	510.32	651.72
(c) Other Current Assets	6	46,631.01	45,145.19
Total Current Assets		73,932.98	77,860.28
Total Assets		96,151.57	103,643.49
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	10	2,055.28	2,055.28
(b) Other Equity	11	8,530.32	11,958.49
Total Equity		10,585.60	14,013.78
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	12	15.99	15.91
(ii) Other Financial Liabilities	13	728.68	764.97
(iii) Provisions	16	226.93	177.03
(b) Other Non Current Liabilities	17	8,680.19	6,961.46
Total Non-Current Liabilities		9,651.79	7,919.36
4 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	14	36,550.85	34,368.29
(ii) Trade Payables	15	23,817.79	25,615.05
(iii) Other Financial Liabilities	13	4,627.74	5,640.23
(b) Provisions	16	222.33	220.70
(c) Other Current Liabilities	17	10,695.47	15,866.08
Total Current Liabilities		75,914.18	81,710.35
Total Liabilities		85,565.97	89,629.71
Total Equity & Liabilities		96,151.57	103,643.49
Corporate information and significant accounting policies See accompanying notes forming part of Financial Statements	1 & 2		

In terms of our audit report attached
For Venkat Srinivas & Co
Chartered Accountants
Firm's Registration No: 0122065

A. Srinivas
Partner
(Membership No. 0296439)



S. Vijaya Kumar
Chairman
(DIN:00087623)

For and on behalf of the Board of Directors of
Vijay Nirman Company Private Limited

V. Ajay Kumar
Managing Director
(DIN:01797519)

[Signature]

UDIN - 22029619ARCUDX1603

[Signature]

[Signature]

Date: 29 August, 2022
Place: Vishakhapatnam

Y V Ramana
Chief Executive Officer
(DIN:00470279)

S. Kumar Raja
Chief Financial Officer

Surabhi Dudheria
Company Secretary



Vijay Nirman Company Private Limited

Consolidated Statement of Profit and Loss for the year ended 31 March, 2022

All Amounts are in Lakhs unless otherwise stated



Particulars	Note No.	Year ended 31 March, 2022	Year ended 31 March, 2021
REVENUE			
Revenue from operations	18	84,046.08	64,425.06
Other Income	19	596.82	656.84
Total Income		84,642.90	65,081.90
EXPENSES			
Operating Expenses-Cost of Sales	20	73,227.63	53,043.95
Finance costs	21	3,889.22	7,204.88
Depreciation and amortisation expense	3	2,195.46	2,504.99
Employee Benefit Expense	25	5,153.77	4,751.45
Other expenses	22	3,671.32	2,723.97
Total Expenses		88,137.40	70,229.23
Profit before tax		(3,494.50)	(5,147.33)
Tax Expense			
Current tax		17.91	2.07
Deferred tax expense/(benefit)	4	(44.90)	(1,721.39)
Total tax expense		(26.99)	(1,719.32)
Profit after tax		(3,467.51)	(3,428.01)
Profit from continuing operations for the year attributable to:			
Owners of the Company			
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss		-	-
(a) Remeasurements of the defined benefit plans		40.16	58.98
B (i) Items that may be reclassified to Profit or Loss		-	-
(a) Change in revaluation surplus		-	-
Total other comprehensive income / (loss) (A + B)		40.16	58.98
Total Comprehensive profit / (Loss) for the year (9 + 11)		(3,426.05)	(3,369.03)
Earnings per equity share			
Basic/Diluted	25	(16.87)	(16.68)
Corporate information and significant accounting policies	1 & 2		
See accompanying notes forming part of Financial Statements			

In terms of our audit report attached
For Venkat Srinivas & Co
Chartered Accountants
Firm's Registration No. 8122065

For and on behalf of the Board of Directors of
Vijay Nirman Company Private Limited

A. Srinivas
Partner
(Membership No. 629619)

S. Vijaya Kumar
Chairman
(DIN:00087623)

V. Ajay Kumar
Managing Director
(DIN:01797519)



VON- 22029619ARCVDX1603

Y. V. Ramana

S. Kumar Raja
Chief Financial Officer
(DIN:00470279)

Surabhi Dudheria
Company Secretary

Date: 29 August, 2022
Place: Vishakhapatnam

Y V Ramana
Chief Executive Officer
(DIN:00470279)

Vijay Nirman Company Private Limited
Statement of Changes in Equity for the year ended 31 March, 2022
All amounts are in Lakhs unless otherwise stated

A. Equity share capital

Particulars	Rs. in Lakhs
As at 1 April, 2020	2,055.29
Changes in equity share capital during the year	-
As at 31 March, 2021	2,055.29
Changes in equity share capital during the year	-
As at 31 March, 2022	2,055.29

B. Other Equity

Particulars	Reserves and Surplus				Items of other comprehensive income		Total
	Capital Redemption Reserve	General Reserve	Securities Premium	Retained Earnings	Revaluation Reserve	Actuarial Gain/Loss	
As at 1 April, 2020	190.00						
Additions during the period	-	240.00	10,641.35	2,263.94	1,983.06	(63.60)	15,254.76
Deductions during the period	-	-	-	(3,428.01)	-	58.98	(3,369.03)
Transfer to other reserves	-	-	-	-	-	-	-
As at 31 March, 2021	190.00	240.00	10,641.35	(1,164.06)	1,983.06	(4.62)	11,958.49
Additions during the period	-	-	-	(3,466.85)	-	40.16	(3,426.69)
Deductions during the period	-	-	-	-	-	-	-
Transfer to other reserves	-	-	-	-	-	-	-
As at 31 March, 2022	190.00	240.00	10,641.35	(4,630.92)	1,983.06	35.54	8,531.80

In terms of our audit report attached
For Venkat Srinivas & Co
Chartered Accountants

Firm's Registration No: 0122065



A. Srinivas
Partner
(Membership No. 025633)

For and on behalf of the Board of Directors of
Vijay Nirman Company Private Limited

[Signature]

V. Ajay Kumar
Managing Director
(DIN:01797519)



[Signature]
S. Vijaya Kumar
Chairman
(DIN:00087623)

S. Kumar Raja
Chief Financial Officer

[Signature]
Surabhi Dudheria
Company Secretary

[Signature]
Y.V. Ramana

Y V Ramana
Chief Executive Officer
(DIN:00470279)

Date: 29 August, 2022
Place: Vishakhapatnam



	For the Year ended	
	31 March 2022	31 March 2021
Cash flow from operating activities		
Profit/(loss) before tax and and share in profits of integrated joint ventures	(3,494.50)	(5,147.33)
Adjustment for:		
- Depreciation expense	2,195.46	2,504.99
- Interest income	(127.70)	(194.66)
- Finance cost	3,889.22	7,204.88
- Profit/loss on sale of fixed assets	815.41	-
- Provision for employee benefits	38.66	91.11
- Liabilities no longer required written back	(0.97)	(2.40)
- Receivables written off	24.81	262.07
Operating profit before working capital changes	3,340.38	4,718.66
Adjustments for working capital :		
(Increase)/ decrease in inventories	727.71	1,307.38
Increase in trade receivables	4,860.13	2,634.38
Increase in loans and advances	2,668.36	(833.33)
(Increase)/ decrease in other assets	(3,929.00)	(420.55)
Increase/(decrease) in trade payables	(2,729.95)	430.87
Increase in other liabilities and provisions	(2,818.57)	(2,758.54)
Cash generated from operations	2,119.06	5,078.86
Direct taxes (paid)/refund received	(204.94)	(576.04)
Net cash generated from operating activities	1,914.12	4,502.82
Cash flow from investing activities		
Purchase of tangible assets	(214.69)	(1,458.05)
Sale of tangible assets	974.94	548.27
Decrease/(increase) in other bank balances	726.57	(605.74)
Interest received	123.62	229.64
Net cash used in investing activities	1,610.45	(1,285.89)
Cash flow from financing activities		
Issue of equity shares	-	-
Repayment of long-term borrowings	(497.33)	(480.18)
Proceeds/(repayment) of short-term borrowings, net	2,182.56	1,428.63
Finance cost paid	(3,986.46)	(4,455.57)
Net cash used in financing activities	(2,301.23)	(3,507.12)
Net (decrease)/increase in cash and cash equivalents	1,223.35	(290.19)
Cash and cash equivalents at the beginning of the year	2,403.22	2,693.41
Cash and cash equivalents at the end of the year	3,626.56	2,403.22

Cash Flow Statement for the Year ended 31 March 2022 (continued)

	For the Year ended	
	31 March 2022	31 March 2021
Cash and cash equivalents includes:		
Cash on Hand	0.08	0.02
Balances with banks:		
- current accounts	3,240.94	1,516.91
- deposit accounts	385.54	886.29
Cash and cash equivalents at the end of the year (refer note 10)	3,626.56	2,403.22

This is the Cash Flow Statement referred to in our report of even date.

In terms of our audit report attached
For Venkat Srinivas & Co.
Chartered Accountants
Firm's Registration No: 0122065

A. Srinivas
Partner
(Membership No. 0296129)

S. Vijaya Kumar
Chairman
(DIN:0087623)

For and on behalf of the Board of Directors of
Vijay Nirman Company Private Limited

V. Ajay Kumar
Managing Director
(DIN:01797519)

Date: 29 August, 2022
Place: Vishakhapatnam

Y V Ramana
Chief Executive Officer
(DIN:00470279)

K. Kumar Raja
Chief Financial Officer

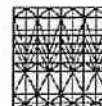
Surabhi Dudheria
Company Secretary

UDIN-22029619ARCUDX1603

y. v. ramana

K. Kumar Raja

Surabhi Dudheria



Notes to the financial statements for 31 March, 2022

All amounts are in Lakh unless otherwise stated

Note No. 4 - Deferred Tax Asset

(i) Reconciliation between average effective tax rate and applicable tax rate

The Company has carry forward losses which are absorbed to the extent of current year tax profits and there is no tax expense for the current year. Accordingly, the disclosure relating to reconciliation of income tax expenses to applicable tax rates is not applicable.

(ii) Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet.

Particulars	For the Year ended 31 March 2022		
	Opening Balance	Recognised in profit and Loss	Closing Balance
<u>Tax effect of items constituting deferred tax assets</u>			
Property, Plant and Equipment	275.90	234.74	510.64
Provision for employee benefits	138.97	18.00	156.97
Provision for doubtful advances	-	-	-
Unabsorbed depreciation	875.24	2,114.23	2,989.48
Business loss	3,813.76	(2,322.08)	1,491.68
Total	5,103.87	44.90	5,148.77
Net Tax Asset / (Liabilities)	5,103.87	44.90	5,148.77

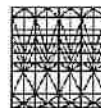
Particulars	For the Year ended 31 March 2021		
	Opening Balance	Recognised in profit and Loss	Closing Balance
<u>Tax effect of items constituting deferred tax assets</u>			
Property, Plant and Equipment	376.19	(100.29)	275.90
Provision for employee benefits	132.28	6.67	138.97
Provision for doubtful advances	-	-	-
Unabsorbed depreciation	1,044.12	(168.86)	875.24
Business loss	1,829.89	1,983.87	3,813.76
Total	3,382.48	1,721.39	5,103.87
Net Tax Asset / (Liabilities)	3,382.48	1,721.39	5,103.87



Vijay Nirman Company Private Limited

Notes to the financial statements for 31 March, 2022

All amounts are in Lakh unless otherwise stated



Note No. 5 - Investments

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Current	Non Current	Current	Non Current
A. COST				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
- of Surapaneni LLP	-	4.95	-	4.95
INVESTMENTS CARRIED AT COST	-	4.95	-	4.95

Note No. 5 - Other Financial Assets

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Current	Non- Current	Current	Non- Current
a) Security Deposits				
- Unsecured, considered good	203.14	97.69	203.65	91.93
TOTAL (a)	203.14	97.69	203.65	91.93
b) Loans to related parties				
- Unsecured, considered good	62.85	-	-	-
Less: Allowance for Credit Losses	-	-	-	-
TOTAL (b)	62.85	-	-	-
c) Other Bank Balances				
Restricted Cash and bank balances				
- Earmarked Deposit account with scheduled banks	-	585.27	-	431.67
TOTAL (c)	-	585.27	-	431.67
d) Capital Advances	-	-	-	-
e) Earnest Money Deposit	244.33	-	448.08	-
Less: Allowance for Credit Losses	-	-	-	-
GRAND TOTAL	510.32	682.95	651.72	523.60





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Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Current	Non- Current	Current	Non- Current
a) Advances other than capital advances				
(i) Balances with government authorities (other than income taxes)	2,613.74	-	3,739.82	-
(ii) Other advances (Mobilisation & Material Advances to Sub -Contractors)	78.37	-	1,803.74	-
Less Provision for Doubtful Advance	-	-	-	-
b) Advance income tax - Unsecured, considered good	2,889.42	-	2,684.48	-
c) Prepaid Expenses	335.80	-	136.55	-
d) Interest Accrued	167.16	-	163.09	-
	6,084.50	-	8,527.67	-
e) Contract Assets (refer note 31, 36 and 37)	40,546.51	-	36,617.51	-
	40,546.51	-	36,617.51	-
	46,631.01	-	45,145.19	-

Note No. 7 - Inventories

Particulars	As at 31 March, 2022	As at 31 March, 2021
Construction Materials	1,522.79	2,250.50
Total Inventories (at lower of cost and net realisable value)	1,522.79	2,250.50

Note No. 8 - Trade Receivables (Ref Note 36)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Current	Non Current	Current	Non Current
Other Trade receivables				
- Unsecured, considered good	20,695.62	2,858.59	25,650.62	2,856.33
- Considered doubtful	-	-	-	-
	20,695.62	2,858.59	25,650.62	2,856.33
Less : Allowance for doubtful trade receivables (63.73)	(63.73)		(63.73)	
Total	20,631.89	2,858.59	25,586.89	2,856.33
Of the above, trade receivables from:				
- Related Parties	979.80	-	924.56	-





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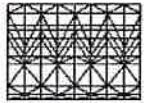
Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with banks		
In Current Accounts	3,240.94	1,516.91
Deposits with original maturity of less than three months	385.54	886.29
Cash on Hand	0.08	0.02
Total Cash and cash equivalents	3,626.56	2,403.22
Bank Balance other than above		
-Deposit accounts with maturity period more than 3 months but less than 12 months	1,015.43	1,895.60
	1,015.43	1,895.60

Reconciliation of Cash and Cash Equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Total Cash and Cash Equivalents as per Balance Sheet	3,626.56	2,403.22
Total Cash and Cash Equivalents as per Statement of Cash flow	3,626.56	2,403.22



Vijay Nirman Company Private Limited
Notes to the financial statements for 31 March, 2022
All amounts are in Lakh unless otherwise stated



Note No. 10 - Equity Share Capital

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of Rs. 10 each with voting rights	25,000,000	2,500.00	25,000,000	2,500.00
Issued, Subscribed and Fully Paid:				
Equity shares of Rs. 10 each with voting rights	20,552,839	2,055.28	20,552,839	2,055.28
Total	20,552,839	2,055.28	20,552,839	2,055.28

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Fresh Issue	Bonus	Closing Balance
Equity Shares with Voting rights*				
Year Ended 31st March, 2022				
No. of Shares	20,552,839	-	-	20,552,840
Amount in Lakhs	2,055.28	-	-	2,055.28
Year Ended 31st March, 2021				
No. of Shares	20,552,839	-	-	20,552,840
Amount in Lakhs	2,055.28	-	-	2,055.28

***Terms/ rights attached to equity shares:** The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. Dividends are paid in Indian Rupees. The dividends proposed by the Board of Directors are subject to the approval of the shareholders at the Annual General Meeting. Repayment of capital will be in proportion to the number of equity shares held.

(ii) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31 March, 2022		As at 31 March, 2021	
	No.	% holding in the class	No.	% holding in the class
Equity shares with voting rights:-				
S. Vijaya Kumar	6,299,848	31%	6,299,848	31%
Kridhan Infra Limited	8,523,336	41%	8,523,336	41%
V. Ajay Kumar	1,203,500	6%	1,203,500	6%
	16,026,684	78%	16,026,684	78%



Vijay Nirman Company Private Limited

Notes to the financial statements for 31 March, 2022

All amounts are in Lakh unless otherwise stated

Note No. 11 - Other equity

Particulars	As at 31 March, 2022	As at 31 March, 2021
Retained earnings	(4,559.63)	(1,164.06)
Capital Redemption Reserve	190.00	190.00
General Reserve	240.00	240.00
Securities Premium	10,641.35	10,641.35
Items of other comprehensive income		
-Revaluation Reserve	1,983.06	1,983.06
-Actuarial Gain/Loss	35.54	(4.62)
Total Other Equity	8,530.32	11,885.73

Note No. 12 - Non-Current Borrowings

Particulars	As at 31 March, 2022	As at 31 March, 2021
Measured at amortised cost		
A. Secured Borrowings:		
Equipment Loans - Refer Note A	15.99	15.91
Total Secured Borrowings	15.99	15.91



Note No. 13 - Other Financial Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non Current		
Retention Money Payable	728.68	764.97
	728.68	764.97
Current		
a) Current maturities of Long term borrow - Refer Note A	12.90	30.78
b) Interest accrued		
i) Interest Accrued and due on borrowings		
ii) Interest Accrued and Not due on borrowings	2,816.95	2,914.18
c) Other liabilities		
Retention Amounts payable	1,797.89	2,695.27
Total other financial liabilities	4,627.74	5,640.23

Note No. 14 - Current Borrowings

Particulars	As at 31 March, 2022	As at 31 March, 2021
A. Secured Borrowings		
From Banks- Cash Credit Facility	35,006.33	32,781.27
Total Secured Borrowings	35,006.33	32,781.27
B. Unsecured Borrowings		
Loans from related parties	1,544.52	1,587.02
From Others	-	-
Total Unsecured Borrowings	1,544.52	1,587.02
Total Current Borrowings	36,550.86	34,368.30



Note A - i) Security details of Borrowings

Working capital loans repayable on demand

- i) As per the terms of consortium agreement, the availed credit facilities are secured in favour of the said banks by way of:
 - First Pari-Passu charge by way of Hypothecation on all the Current Assets, namely Stocks of Raw material, Semi-Finished and Finished Goods, Stores & Spares not relating to Plant & Machinery (Consumable stores & Spares), Bills receivable and Book Debts and all movable Current Assets, both present and future
- ii) First Pari-Passu charge on all the movable Fixed assets of the borrower including its movable Plant & Machinery, Machinery spares, tools and accessories and other movables both present and future (excluding vehicles/ machinery acquired under hire purchase agreements / specifically charged to financiers for their hire purchase agreemnet) both present and future.
- iii) The above short term borrowings carry an annual interest rate around 12.50% to 15.45%
- iv) Unsecured working capital borrowings from related and other parties are repayable on demand.
- v) All the above loans are further secured jointly and severally by personal guarantees of directors namely S.Vijaya Kumar, V.Ajay Kumar, A.V.V.V. Prasad and Y.V. Ramana.

ii) Security details of Equipment Loans:

Vehicle and equipment loans:

- Vehicle and equipment loans from banks aggregating to ₹28,88,534 (31 March 2021: ₹57,62,273) are secured by:

- a) charge on the assets procured out of the proceeds of the loan; and
- b) personal guarantees of certain directors of the Company. The balance loans are repayable in 12 to 56 installments and attract an annual interest rate in the range of 9.10% to 9.20% (31 March 2021: 9.10% to 9.20%).



Note No. 15 - Trade Payables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current		
Trade payable - total outstanding dues to micro and small enterprises (Refer Note 27)		
Trade payable - creditors other than micro and small enterprises	23,817.79	25,615.05
Total trade payables	23,817.79	25,615.05

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

Note No. 16 - Provisions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current Provisions		
Employee Benefits	226.93	177.03
Total Non Current Provisions	226.93	177.03
Current Provisions		
Compensated absences	-	-
Gratuity	9.09	7.46
Bonus Payable	213.24	213.24
Total Current Provisions	222.33	220.70



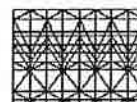
Note No. 17 - Other Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Other Non Current Liabilities		
a. Advances received from customers-Under Construction Contracts.	8,680.19	6,961.46
Total Other Non Current Liabilities	8,680.19	6,961.46
Other Current Liabilities		
a. Advances received from customers-Under Construction Contracts	7,642.67	12,616.46
b. Capital Creditors	-	-
c. Due to Employees	1,492.00	1,426.64
d. Due to others	-	-
e. Statutory dues		
- taxes payable (other than income taxes)	1,548.87	1,805.04
-interest accrued and due	11.95	11.95
f. Income tax	-	-
-Other credit balances	-	6.00
Total Other Current Liabilities	10,695.47	15,866.07



Viiav Nirman Company Private Limited
Notes to the financial statements for 31 March, 2022

All amounts are in Lakh unless otherwise stated



Note No. 18 - Revenue from Operations

The following is an analysis of the company's revenue for the year from continuing operations

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Revenue from rendering of services-Contract Revenue	82,903.74	62,944.16
Other Operating Revenue		
- Sale of scrap	381.14	204.54
- Sale of construction material	761.20	1,276.37
Total Revenue from Operations	84,046.08	64,425.06

Note No. 19 - Other Income

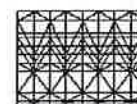
Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Interest Income		
On Financial Assets at Amortised Cost	127.70	194.66
Liabilities no longer required written-back	0.97	2.40
Miscellaneous Income	468.15	459.78
Profit on sale of Fixed Assets	-	-
Total Other Income	596.82	656.84

Note No. 20 - Operating Expenses

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
<u>Inventories at the beginning of the year:</u>		
Construction Materials Opening stock	2,250.50	3,557.89
<u>Add: Expenses Incurred during the year</u>		
Purchases made during the year	19,070.43	21,198.31
Labour charges	2,096.96	1,496.75
Job-work charges	46,508.13	24,822.04
Power and fuel	2,380.24	1,686.60
Rent of construction equipment	2,234.71	2,331.55
Repairs and Maintenance - Construction Equipment	209.45	201.32
<u>Inventories at the end of the year:</u>		
Construction Materials Closing stock	(1,522.79)	(2,250.50)
Net (increase) / decrease	73,227.63	53,043.95



Viiav Nirman Company Private Limited
Notes to the financial statements for 31 March, 2022
All amounts are in Lakh unless otherwise stated



Note No. 21 - Finance Cost

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Interest Expense - On Financial Liability at Amortised Cost	3,170.58	5,885.77
Other borrowing cost	718.64	1,319.10
Total finance costs	3,889.22	7,204.88

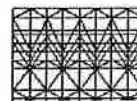
Note No. 22 - Other Expenses

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Rent including lease rentals	403.16	372.29
Repairs and maintenance - Others	17.50	34.78
Rates and Taxes	1,138.68	646.84
Office Maintenance	69.71	48.54
Communication expenses	33.69	42.93
Bank charges	47.72	16.05
Travelling and conveyance	205.95	275.49
Donations	1.81	8.61
Insurance	69.08	106.50
Receivables Written-off	24.81	262.07
Expenditure on Corporate Social Responsibility	-	-
Directors' sitting fees	0.40	1.80
Security charges	339.19	316.11
Auditors remuneration and out-of-pocket expenses	-	-
As Auditors	6.00	6.00
For Other services	-	-
For reimbursement of expenses	-	-
Legal and other professional costs	390.76	467.36
Loss on sale of Fixed Assets	815.41	-
Miscellaneous Expenses	107.47	118.60
Total Other Expenses	3,671.32	2,723.97



Viiav Nirman Company Private Limited
Notes to the financial statements for 31 March, 2022

All amounts are in Lakh unless otherwise stated



Note No. 23 - Corporate Social Responsibility

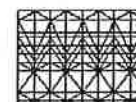
The Company has constituted a Corporate Social Responsibility (CSR) committee to undertake the mandatory corporate social responsibility activities in accordance with the provisions of the Companies Act, 2013. As per the Provisions of the Companies Act, the Company need not

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Expenditure On CSR Activities:		
Balance unspent CSR at the begining of the year	(9.92)	14.17
Gross amount required to be spent by the company during the year	-	-
Amount spent by the Company		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than above	-	24.10
Amount to be spent in the future years	(9.92)	(9.92)



Viiav Nirman Company Private Limited
Notes to the financial statements for 31 March, 2022

All amounts are in Lakh unless otherwise stated



Note No. 23(a) - Segment information

Business segments

The Group and its jointly controlled entities operations predominantly consist of construction /project activities. Based on the group and its jointly controlled entities' business model and considering the internal financial reporting to the management, the revenue from construction and project related activities has been considered as the only reportable segment. Further all services are rendered only in India. Hence, no separate financial disclosures have been provided for business and geographical segment reporting.

Note No. 24 - Earnings per Share

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Basic/Diluted Earnings per share	Per Share (16.87)	Per Share (16.68)
From discontinuing operations (Rs.) per share		
Total basic/diluted earnings per share	(16.87)	(16.68)

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share follows:

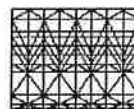
Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Profit for the year attributable to owners of the Company	(3,466.85)	(3,428.01)
Less: Preference dividend and tax thereon		
Profit for the year used in the calculation of basic earnings per share	(3,466.85)	(3,428.01)
Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations		
Profits used in the calculation of basic earnings per share from continuing operations	(3,466.85)	(3,428.01)
Weighted average number of equity shares	20,552,839	20,552,839
Earnings per share from continuing operations - Basic	(16.87)	(16.68)



Vijay Nirman Company Private Limited

Summary of significant accounting policies and other explanatory information

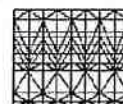
All amounts are in Lakh unless otherwise stated



- 35) Additional information as required under paragraph 5 of the part II of the Schedule III to the Act to the extent either "Nil" or "Not Applicable" has not been furnished.
- 36) Trade receivables and unbilled revenues as at 31 March 2022 includes amounts receivable from the customers to the tune of ₹15,28,87,503 (31 March 2021: ₹15,27,52,234) and ₹56,23,43,061 (31 March 2021: ₹ 56,36,86,974) respectively, towards the consideration for the services rendered and certain escalations and variations, which have been recognized in accordance with the terms implicit in the contract. The management has initiated legal arbitration proceedings against certain customers and is in the process of initiating the same in certain cases. Pending final outcome of the same, the
- 37) Unbilled revenues as at 31 March 2022 includes amounts receivable from a customer to the tune of ₹ 54,39,97,626 (31 March 2021: ₹ 54,52,06,225), which has been recognised in accordance with the terms of the underlying contract. The above said amount includes receivable towards the consideration for the services rendered, certain contractual escalations and variations in scope of work which are pending for approval from the client and are at various stages of negotiations and discussions. The management on the basis of assessment of the status and progress of negotiations, the compliance with the contractual terms and along-with the history of realisation of such dues is of the view that the amounts stated in the financial statements are fully recoverable and that no adjustments are deemed necessary in this regard.
- 38) The management is in the process of carrying out a series of negotiations with the customers in connection with proposed contract price revisions in relation to the works under execution and already executed. On the basis of assessment of the status of these ongoing negotiations, the management is of the view that the same will yield a positive outcome and consequently, the estimates of the contract value and the costs likely to be incurred for the execution of the contracts in progress as at 31 March 2022 has been arrived at after considering the likely outcome of these negotiations.
- 39) Estimation of uncertainties relating to the global health pandemic from COVID-19**
The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline in global and local economic activities. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company.



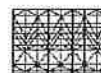
Viiav Nirman Company Private Limited.
Notes to the financial statements for 31 March, 2022
All amounts are in Lakh unless otherwise stated



Note No. 25 - Employee Benefits Expense

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
(a) Salaries and wages, including bonus	4,132.89	3,672.67
(b) Contribution to provident and other funds	301.11	318.00
(d) Staff welfare expenses - EBE	679.61	701.80
Employee Benefit Expense other than OCI	5,153.77	4,751.45
Other Comprehensive income		
(a) Remeasurements of the defined benefit plans	(40.16)	(58.98)
Total Employee Benefit Expense	5,113.61	(58.98)





26) Trade payables

There are no micro and small enterprises to whom the Company owes dues as at the reporting date. The micro and small enterprises have been identified by management on the basis of information available with the Company and have been relied upon by the auditors.

27) Commitments and contingent liabilities

Commitments

	As at	
	31 March 2022	31 March 2021
Estimated amount of contracts amounting to be executed on capital account and not provided for (net of advances)	-	-

Contingent liabilities

- The Company is contingently liable, jointly and severally, in respect of construction contracts executed as jointly controlled operations towards liquidated damages in respect of actual delays in completion of the projects. The amount of such contingent liability is not ascertainable as at 31 March 2022 (31 March 2021: Not ascertainable). BG outstanding -
- Counter indemnities given to banks in respect of contracts executed by joint ventures to the tune of ₹ 10,47,48,680 (31 March 2021: ₹15.05.35.000).
- The Company received a demand notice for Service Tax due payable against Fertilizer Handling in Kakinda port area wherein an additional tax liability of Rs.9,17,13,496 is demanded. We have filed the case with Appellant Tribunal (CESTAT, Hyderabad) and consequently the Company had paid ₹3,400,000 under protest and contested the said order

28) (a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating Rs.2,38,63,220 (2021 : Rs.2,87,69,564) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

Note: Where required by Ind AS 24 an entity discloses information about contributions to defined contribution plans for key management personnel. This is covered as a part of related party disclosures.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The gratuity plan is unfunded.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as

	31-Mar-22	31-Mar-21
Discount rate(s)	7.38%	6.88%
Expected rate(s) of salary increase	0%-3%	0%-3%



Vijay Nirman Company Private Limited

Summary of significant accounting policies and other explanatory information

All amounts are in Lakh unless otherwise stated



Defined benefit plans – as per actuarial valuation on 31st March, 2022

Particulars	Unfunded Plan	
	Gratuity	
	2022	2021
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	25.84	25.86
Past service cost and (gains)/losses from settlements		
Net interest expense	12.82	16.02
Components of defined benefit costs recognised in profit or loss	38.66	41.89
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)		
Actuarial gains and loss arising form changes in financial assumptions	(14.36)	(3.12)
Actuarial gains and loss arising form experience adjustments	33.17	(72.59)
Actuarial gains and loss arising form Demographic Assumptions	-	-
Components of defined benefit costs recognised in other comprehensive income	18.81	(75.72)
Total		



Vijay Nirman Company Private Limited

Summary of significant accounting policies and other explanatory information

All amounts are in Lakh unless otherwise stated



I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	226.88	203.23
2. Fair value of plan assets as at 31st March		
3. Surplus/(Deficit)		
4. Current portion of the above	9.09	7.46
5. Non current portion of the above	217.79	195.77
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	203.23	237.06
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer		
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	25.84	25.86
- Past Service Cost		
- Interest Expense (Income)	12.82	16.02
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions		
ii. Financial Assumptions	(14.36)	(3.12)
iii. Experience Adjustments	33.17	(72.59)
5. Benefit payments	(33.81)	-
6. Others (Specify)		
7. Present value of defined benefit obligation at the end of the year	226.88	203.23
III. Change in fair value of assets during the year ended 31st March		
1. Contributions by employer (including benefit payments recoverable)	-	-
2. Benefit payments	-	-
7. Fair value of plan assets at the end of the year	-	-
V. Actuarial assumptions		
1. Discount rate	7.38%	6.88%

Maturity profile of defined benefit obligation:

In Lakhs

	2022
year 1	9.09
year 2	9.73
year 3	10.04
year 4	10.61
year 5	10.83
year 6	11.00
year 7	11.07
year 8	15.31
year 9	21.85
year 10	25.40

Note: Where required by Ind AS 24 an entity discloses information about: (a) related party transactions with post-employment benefit plans; and (b) post-employment benefits for key management personnel.

Note: Where required by Ind AS 37 an entity discloses information about contingent liabilities arising from post employment benefit obligations.





30) Related party disclosures

a) Name of related parties and nature of relationship

Names	Nature of relationship
Sri. S. Vijaya Kumar	Key Management Personnel
Sri A.V.V.V. Prasad	Key Management Personnel
Sri V. Ajay Kumar	Key Management Personnel
Sri Anil Dhanpat Agrawal	Key Management Personnel
Sri Y.V. Ramana	Key Management Personnel
Sri Mahadev Deshpande	Key Management Personnel
Sri M. Narasimhappa	Key Management Personnel
Smt S. Chandana Sri	Relatives of Key Management Personnel
Smt S. Curie Rao	Relatives of Key Management Personnel
Sri S. Venkateswara Rao	Relatives of Key Management Personnel
Sri V. Ranga Prasad	Relatives of Key Management Personnel
Sri V V Subba Rao	Relatives of Key Management Personnel
Kridhan Infra Ltd	Party having significant influence on the company (Associate of the Company)
Surapaneni Trading LLP	Party where company has control (Subsidiary of the Company)
GEV Projects	Enterprise under significant influence of KMP
VNC-GEV Housing	Enterprise under significant influence of KMP
VNC - SVC JV	Party where company has control (Jointly controlled entities)
CVCC - VNC JV	Party where company has control (Jointly controlled entities)
VNC - Kalindee JV	Party where company has control (Jointly controlled entities)
Kalindee - VNC JV	Party where company has control (Jointly controlled entities)
SRC - VNC JV	Party where company has control (Jointly controlled entities)
VNC - KPCPL JV	Party where company has control (Jointly controlled entities)
KEC - VNC JV	Party where company has control (Jointly controlled entities)
VNC - KEC JV	Party where company has control (Jointly controlled entities)
RDS - VNCPL JV	Party where company has control (Jointly controlled entities)
VNC - RKCIPL JV	Party where company has control (Jointly controlled entities)
Genius Edu Labs Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
SVC Tech Ventures LLP	Enterprises owned or significantly influenced by key management personnel or their relatives
Kridhan Infra Solutions Private Limited.	Enterprises owned or significantly influenced by key management personnel or their relatives
Kridhan Petrochemicals Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
KH Foges India Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Kridhan Infrastructures Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives



Vijay Nirman Company Private Limited
Summary of significant accounting policies and other explanatory information
All amounts are in Lakh unless otherwise stated

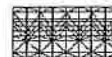


Kridhan Projects Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
R P P Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Suryamukhi Trexim Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
VNC Housing Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
SURYAMUKHI TREXIM PVT LTDV	Enterprises owned or significantly influenced by key management personnel or their relatives
GEV Properties Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
GEV Agro Farms Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Aavaaz Consumer Services Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
GEV Developers LLP	Enterprises owned or significantly influenced by key management personnel or their relatives
AMARA RAJA POWER SYSTEMS LIMITED	Enterprises owned or significantly influenced by key management personnel or their relatives

b) Transactions with related parties

	For the year ended	
	31 March 2022	31 March 2021
Transactions with enterprise under significant influence of KMP		
GEV Projects		
Contract revenue	-	82.11
Contract cost	81.79	247.04
Transactions with associate		
Kridhan Infra Ltd		
Unsecured loan taken	-	-
Interest payable on loan taken	-	66.52
Supply of materials	349.83	-
Transactions with enterprise under the jointly controlled operations		
SRC - VNC JV		
Contract revenue	124.91	-
VNC - KEC JV		
Contract revenue	217.57	-
Transactions with KMP		
V. Ajay Kumar		
Managerial remuneration	30.00	32.50
Interest on unsecured loans	-	-
S. Vijaya Kumar		
Managerial remuneration	91.05	90.88
Interest on unsecured loans	-	-
A.V.V.V. Prasad		
Managerial remuneration	42.00	42.50
Interest on unsecured loans	-	-
Y.V. Ramana		
Managerial remuneration	30.00	32.50
Transactions with relatives of KMP		
S. Curie Rao		
Interest on unsecured loans	21.60	24.00





30) Related party disclosures (continued)

c) Balance outstanding receivable/ (payable)

Particulars	As at	
	31 March 2022	31 March 2021
S. Vijaya Kumar	(1,190.51)	(1,267.06)
V. Ajay Kumar	(104.16)	(105.97)
A.V.V.V. Prasad	(29.44)	(54.44)
Y.V. Ramana	-	-
S. Curie Rao	(201.80)	(201.85)
Surapaneni Trading LLP	(62.84)	(62.84)
VNC-GEV Housing	263.91	263.91
GEV Projects	715.89	660.65
Kridhan Infra Ltd	(201.68)	57.60

Details of guarantees provided by directors:

	As at	
	31 March 2022	31 March 2021
i) Outstanding borrowings		
S.Vijaya Kumar	6,331,673,246	63,347.63
V. Ajay Kumar	6,334,561,780	63,409.42
A.V.V.V. Prasad	6,331,673,246	63,347.63
Y.V. Ramana	6,331,673,246	63,347.63
ii) Aggregate limits of guarantee		
S.Vijaya Kumar	7,367,400,000	73,674.00
V. Ajay Kumar	7,370,288,534	73,735.79
A.V.V.V. Prasad	7,367,400,000	73,674.00
Y.V. Ramana	7,367,400,000	73,674.00

Details of outstanding guarantees provided by Company:

	As at	
	31 March 2022	31 March 2021
Kalindee VNC JV	-	-
VNC Kalindee JV	-	-
VNC SVC JV	1,047.49	1,505.35

31) Disclosure under INDAS 115 "Revenue from Contracts with Customers"

Particulars	As at	
	31 March 2022	31 March 2021
Contract revenue from construction activity recognized for the year	82,903.74	62,944.16
Contract cost incurred and recognised profits (less recognised losses) for contracts in progress up to the reporting date	687,440.92	631,605.83
Advances received for contracts in progress	16,322.86	18,047.43
Amount of retention for contracts in progress	13,340.35	10,901.76
Unbilled revenue	40,546.51	36,617.51

32) Expenditure in foreign currency (accrual basis)

	For the year ended	
	31 March 2022	31 March 2021
Travelling and conveyance	-	-

33) Value of imports calculated on C.I.F basis

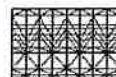
	For the year ended	
	31 March 2022	31 March 2021
Capital goods	-	-



Vijay Nirman Company Private Limited

Summary of significant accounting policies and other explanatory information

All amounts are in Lakh unless otherwise stated



34) Investments in jointly controlled entities

The company's interest, as a venturer, in jointly controlled entities (Joint operations) is:

Name of the ventures	Country of incorporation	Percentage of ownership interest	
		31 March 2022	31 March 2021
VNC - Kalindee	India	50%	50%
Kalindee - VNC	India	50%	50%
CVCC - VNC JV	India	26%	26%
VNC - SVC JV (Back to back contract from this joint opel	India	59%	59%
SRC - VNC JV (Back to back contract to this joint operati	India	49%	49%
VNC-KPC JV	India	51%	51%
KEC - VNC JV	India	40%	0%
RDS - VNCPL JV	India	65%	0%
VNC-KEC JV	India	51%/50%	0%
VNC-RKCIPL JV	India	80%	0%

The company's share of each of the assets, liabilities , income and expenses etc. (each without elimination of the effect of transactions between the company and joint operations) related to its interest in these joint

a) VNC KEC JV

	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	3.49
Current assets	2,824.51	1,046.70
Liabilities		
Current liabilities	1,647.46	1,042.44
	For the year ended	
	31 March 2022	31 March 2021
Income	8,213.73	909.10
Expenses	8,172.15	904.90
Profit/(Loss) for the year	41.58	4.20

b) KEC VNC JV

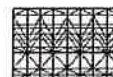
	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	42.04
Current assets	596.76	393.24
Liabilities		
Non-current liabilities	-	-
Current liabilities	596.18	392.10
	For the year ended	
	31 March 2022	31 March 2021
Income	1,277.52	609.18
Expenses	1,278.40	608.04
Profit/(Loss) for the year	(0.88)	1.14



Vijay Nirman Company Private Limited

Summary of significant accounting policies and other explanatory information

All amounts are in Lakh unless otherwise stated



c) VNC-KPC JV

	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	-
Current assets	284.18	424.43
Liabilities		
Non-current liabilities	-	-
Current liabilities	283.77	424.43
	For the year ended	
	31 March 2022	31 March 2021
Income	4,838.54	5,405.59
Expenses	4,839.04	5,405.59
Profit/(Loss) for the year	(0.51)	-

d) SRC-VNC JV

	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	-
Current assets	294.24	879.34
Liabilities		
Non-current liabilities	-	-
Current liabilities	295.86	878.51
	For the year ended	
	31 March 2022	31 March 2021
Income	1,776.67	7,941.80
Expenses	1,779.13	7,940.97
Profit/(Loss) for the year	(2.46)	0.83

e) VNC RKCPL JV

	As at	
	31 March 2022	31 March 2021
Assets		
Non-current assets	-	-
Current assets	2,650.63	-
Liabilities		
Non-current liabilities	-	-
Current liabilities	2,734.89	-
	For the year ended	
	31 March 2022	31 March 2021
Income	16,674.76	-
Expenses	16,759.02	-
Profit/(Loss) for the year	(84.26)	-

f) RDS VNCPL JV

	For the year ended	
	31 March 2022	31 March 2021
Income	289.89	-
Expenses	289.89	-
Profit/(Loss) for the year	-	-



Additional Regulatory requirements

1. All the Title deeds of immovable property are held in the name of the Company.
2. The company has investment of Rs.4.95 lakhs capital Investment and same is continued from previous year. There is no fresh investment during the year and such investment is shown on cost basis.
3. Revaluation of property, Plant and Equipment has not been made in the current financial year, so additional reporting requirement is not required.
4. The company has no intangible assets during the current financial year, so additional reporting requirement is not required.
5. The Company has not granted loans or advances to promoters, directors, KMP'S and related parties. so additional reporting requirement is not required.
6. Company has no CAPITAL-WORK-IN PROGRESS, so additional reporting requirement is not required.
7. The company has no intangible assets under development, so additional reporting requirement is not required.
8. The company does not have any Benami property, where any proceedings have been initiated or pending against the company, for holding any benami property.
9. The company has made borrowings on the basis of current Assets, from Banks
 - i. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts, however there has been few differences which have arised on account of timing differences in Books of accounts.
10. The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year.
11. The Company does not have any transactions with struck-off companies.
12. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.



13. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017
14. The company doesn't have any scheme of arrangements which has been Approved by the competent authority in terms of sec 230 to 237 of companies act 2013.
- 15.(A) The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (intermediaries), with the understanding that the intermediary shall-
- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (B) The Company has not received any funds from any person(s) or entity(ies) , including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall-
- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
 - b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
16. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the (Income Tax Act, 1961).



17.Compliance related to CSR is not applicable. So additional reporting requirement is not required.

18.The company has not traded or invested in n Crypto currency or Virtual Currency during the financial year.

For VENKATSRINIVAS&CO.,
Chartered Accountants
Firm's Registration No.012206S


CA.A. SRINIVAS
Partner
Membership No. 029619
UDIN: 22029619ARCUDX1603



Place: Visakhapatnam
Date: 29.08.2022

VIJAY NIRMAN COMPANY PVT. LTD.

Year Ended 31 March, 2022

Ratio Analysis

Particulars	31-Mar-2022	31-Mar-2021
1.Current Ratio		
Current Assets (A)	73,938	77,860
Current Liabilities	75,913	81,783
Current Ratio (A/B)	0.97	0.95
2.Debt Equity Ratio		
Loans as per Balance Sheet	36,580	34,415
Equity and Reserves (B)	10,587	13,941
Debt-Equity Ratio (A/B)	3.46	2.47
3.EBITDA Margin		
Profit Before Tax	(3,494)	(5,147)
Add: Depreciation	2,195	2,505
Add: Interest cost	3,889	7,205
EBITDA (A)	2,591	4,563
Turnover as per Profit and loss account (B)	84,642	65,082
EBITDA Margin (A/B)	3.1%	7.0%
4.EBIT Margin		
Profit Before Tax	(3,494)	(5,147)
Add: Interest cost	3,889	7,205
EBIT (A)	395	2,058
Turnover as per Profit and loss account (B)	84,642	65,082
EBIT Margin (A/B)	0.5%	3.2%
5.PAT Margin		
Profit After Tax (A)	(3,467)	(3,428)
Turnover as per Profit and loss account (B)	84,642	65,082
PAT Margin (A/B)	-4.1%	-5.3%
6.PBT Margin		
Profit Before Tax (A)	(3,494)	(5,147)
Turnover as per Profit and loss account (B)	84,642	65,082
PBT Margin (A/B)	-4.1%	-7.9%
7.Turnover / Fixed Assets		
Turnover (A)	84,642	65,082
Gross Block of Fixed Assets (B)	26,499	28,937
Turnover / Fixed Assets (A/B)	3.19	2.25



8.Return on Capital Employed		
EBIT (A)	395	2,058
Networth (B)	10,587	13,941
Long term funds (C.)	36,580	34,415
Networth+ Long Term Funds (D= B+C)	47,167	48,356
Return on Capital Employed (A/D)	0.8%	4.3%
9.TOL/TNW		
Current liabilities	75,913	81,783
Non Current liabilities	9,652	7,919
Networth	10,587	13,941
TOL/TNW	8.08	6.43
10.Return on Investment		
PAT (A)	(3,467)	(3,428)
Networth (B)	10,587	13,941
Return on Investment (A/B)	-32.7%	-24.6%
11.Inventory Turnover ratio		
Cost of goods sold	73,228	53,044
Avg. Inventory	1,887	2,904
Inventory Turnover ratio	38.81	18.26
12.Trade receivable Turnover ratio		
Turnover (A)	84,642	65,082
Trade receivables	20,632	25,514
Trade receivable Turnover ratio	4.10	2.55
13.Trade Payable Turnover ratio		
Turnover (A)	84,642	65,082
Trade payables	23,817	25,688
Trade Payable Turnover ratio	3.55	2.53
14.Net Capital Turnover ratio		
Turnover (A)	84,642	65,082
Working Capital	(1,975)	(3,923)
Net Capital Turnover ratio	(42.86)	(16.59)



Vijay Nirman Company Private Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2022

1. Group overview

Vijay Nirman Company Private Limited, (the 'Holding Company' or 'VNCPL') was incorporated on 26 September 1994 in accordance with the provisions of the erstwhile Companies Act, 1956. The Holding Company, on its own and through its subsidiary (collectively referred to as "Group"), its jointly controlled entities are primarily engaged in the business of undertaking all types of civil, electrical and mechanical works and civil construction of projects, undertaking of supply works and other engineering works with State and Central Governments, corporations, private companies, municipalities and other local Government bodies or authorities and in trading of construction material.

2. Significant Accounting Policies

2.1 Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by the Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those



characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards. Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimals places.

2.3 Basis of consolidation

The consolidated financial statements relate to Vijay Nirman Company Private Limited (the Company) and its subsidiary. These Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the Company and its subsidiary entity have been combined on a line-by-line basis by adding together the book values of like items like assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions



resulting in unrealized profits and losses as per Indian Accounting Standard 110 – “Consolidated Financial Statements”.

- ii. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company’s standalone financial statements.

The Consolidated financial statements for the year ended 31 March 2022 have been prepared on the basis of the financial statements of the following subsidiary and jointly controlled entities:

Name of the consolidating entity	Country	Percentage of holding as at 31 March 2022	Nature of relation
Surapaneni Trading LLP	India	100%	Subsidiary

2.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

2.4.1 Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where



progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated balance sheet under trade receivables.

Price escalation and other claims and/or variation in the contract work are included in contract revenue only when:

- Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and
- The amount that is probable will be accepted by the customer can be measured reliably.

2.4.2 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.5 Foreign currencies

The functional currency of the Group is the Indian rupee. These financial statements are presented in Indian rupees.

In preparing the financial statements of each individual group Company, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.



2.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.7.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

2.7.2 Deferred tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary



differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.8 Employee Benefits

Retirement benefit costs and termination benefits

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Superannuation

The Company's contribution to Superannuation fund is considered as defined contribution plans and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Provident Fund

Contribution to Provident fund made to Regional Provident Fund Commissioner is recognised as expense.

For defined post employment benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive



income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset

2.9 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use. "The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment" and "Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised.

Depreciation on fixed assets is provided on written down value method over the useful life of the assets as prescribed under Schedule II of the companies Act, 2013. However in relation to the following assets, the depreciation is provided on straight-line method as per the useful lives estimated by management on the basis of their expertise in the field of provision of construction services and supported by a technical advice. The details of the useful lives assessed by the management and the useful lives as per Schedule II to the Act are as follows:

Class of Assets	Schedule II (in number of years)	Estimated Useful life (in number of years)
Computers	3-6	3
Temporary Structures	3	2
Centring and shuttering	12	12

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.



2.10 *Impairment of tangible and intangible assets other than goodwill*

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.



2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.12 Investments in Subsidiaries, Associates and Joint ventures:

On initial recognition, these investments are recognised at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

2.13 Provisions, Contingent Liabilities and Contingent Assets :

The Group recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are disclosed in the financial statements when flow of economic benefit is probable.

2.14 Non-current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

2.15 Financial instruments:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on



initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.16 Financial assets

Financial asset is

1. Cash / Equity Instrument of another Entity,
2. Contractual right to – a) receive Cash / another Financial Asset from another Entity, or b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

2.17 Subsequent measurement of the financial assets

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the Group has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

2.18 Financial liabilities

Financial liability is Contractual Obligation to

- a) Deliver Cash or another Financial Asset to another Entity, or
- b) Exchange Financial Assets or Financial Liabilities with another Entity under conditions that is potentially unfavourable to the Entity.



2.19 Subsequent measurement of the financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

2.20 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- iii. All other items for which the cash effects are investing or financing cash flows. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.21 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.



Items requiring significant estimate	Assumption and estimation uncertainty
Useful lives of property, plant and equipment	The Group reviews the estimated useful lives of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and Fair value. In estimating the net realisable value / Fair value of Inventories the Group makes an estimate of future selling prices and costs necessary to make the sale.
Provision for employee benefits	The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Provision for taxes	Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions

2.22 Exceptional Items:

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

2.23 Operating cycle:

The Group adopts operating cycle based on the project period and accordingly all project related assets and liabilities are classified into current and non current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

